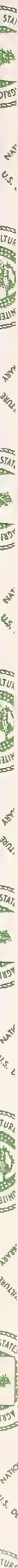


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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 1 -

WORLD FAMINE MORE THAN SHORT TERM PROBLEM SAYS DAVIS: DISTILLERS GRAIN CUT
Washington-World famine is more than a short term problem, and plans to meet its reappearance next winter should be drafted immediately, Chester C. Davis, chairman of the President's Special Famine Emergency Committee, asserted today.

Mr. Davis, who conferred with President Truman, later said that emergency measures, taken to insure larger relief shipment of grains and other foods to famine stricken areas in the next few weeks, could not be considered as final, but were merely "the first sprint" in a continuing race to avert death of millions who otherwise would starve.

Meanwhile, Secretary Anderson issued an order restricting distilleries who operated for five days at full mashing capacity in April to three capacity days in May.

The order also limited the use of grain by the entire distilling industry to 2,500,000 bushels a month; banned use of wheat in the manufacture of spirits and restricted distillers to the use of corn which is unsuitable for human consumption.

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WILL POST NEW MEAT PRICES-Paul Porter, price administrator, stated tonight that beginning tomorrow butcher shops would post new retail meat price lists to help stores and housewives "in fighting off the black market."

He said that the lists would show recently increased retail prices for each grade and cut of meat.

"If the consumer will help to get compliance with ceiling prices at the retail level," he added, "he will help keep prices stable at all levels of distributions, all the way back to the livestock producer himself."

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JAILED IN CLOTHING GOUGE-Magistrate Charles E. Ramsgate yesterday in the War Emergency Court agreed with an Office of Price Administration lawyer that jail terms should be imposed on retail clothiers who demand more than the ceiling price for their garments, then he imposed a twenty-day workhouse term on Albert Wolko, 47 years old, president of the Wolko Clothing Company, at 37 West 125th St.

Wolko had pleaded guilty as the first defendant arraigned in the drive against the black market in retail clothing sales. He also was fined \$225 on the nine counts the OPA had lodged against him, and promptly paid the fines. Had he not done so he would have had to serve another forty-five days in jail.

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COTTON PRICES OFF 10 TO 20 POINTS-Cotton futures on the New York Cotton Exchange were rather quiet yesterday, and final prices were 10 to 20 points net lower than on Monday. Starting 2 to 5 points down, the market drifted lower with small rallies from time to time. There was a fair amount of selling credited with Memphis brokers, while the trade absorbed cotton reluctantly on the scale down. Early selling was attributed to favorable rains in Texas and the continued uncertainty regarding price control.

(Turn to page 2 for other items
in today's N.Y. Times.)

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Farm Digest 905-46

From The New York Times, May 1 -

JAPAN FOOD POLICY HELD U. S. CONCERN-Tokyo-The Four Power Allied Council today postponed a decision on Russia's proposal to investigate Japan's food situation after the American member replied, in effect, that it was strictly the concern of Gen. Douglas MacArthur and the United States.

George Atcheson Jr., Council chairman, said bluntly, "The question of whether the United States might send food to other countries rather than to Japan is entirely outside the Council's preview." He added that it was far better for America to send food than to send "large number of additional troops."

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BRITAIN CUTS RATION OF CHEESE BY A THIRD-London-Sir Ben Smith, the Minister of Food, in announcing that reductions in the size of Great Britain's loaves would begin on Sunday, said today that relatively, the United Kingdom was doing as much as the United States to alleviate the world grain shortage. In making known, too, that there would be a decrease in the ordinary cheese ration from three to two ounces a week, Sir Ben said: "I cannot say that these cuts will be the last."

In addition to the known reduction of the two-pound loaf to one and three-quarter pounds, the four pound loaf will be decreased by half a pound, and the one pound loaf will be fourteen ounces. Prices for the smaller loaves will be unchanged; but, to offset this, the price of potatoes will be reduced by the equivalent of 5 cents for fourteen pounds, and butter by 4 cents a pound.

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WALLACE SEES RISE IN SUBURBAN FARMS-Secretary of Commerce Henry A. Wallace, predicted last night a growing decentralization of industry, with an increase in the number of part-time farmers. He received the award of the National Farm School for "outstanding service to agriculture at a dinner marking the fiftieth anniversary of the school's establishment in Doylestown, Pa.

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From The New York Herald Tribune, May 1 -

PLANNED STARVATION-Editorial-They called it the "ever normal granary" Henry A. Wallace, then Secretary of Agriculture, announced the plan and the slogan in 1937. It gave the United States a new concept of agriculture, ready-made. It was as plausible, and as high-minded and as fundamentally phony as any of the glamour projects wrapped in the bright cellophane of the New Deal which that era produced. The ever normal granary was supposed to level off the peaks of abnormally large grain production in years of bountiful crops, carry over surplus to the lean, scarce years when crops were poor. It was supposed to take the violent fluctuations out of grain prices, discourage speculation and keep the farmer tranquil and prosperous, whatever the weather.

"Ever normal granary" had an engaging sound. The idea was smooth, and apparently its snug logic has succeeded. It has added nothing to the world's grain supply, and there is no surplus wheat in the United States today. While Mr. Wallace's plan (with modifications) has been treading its complex gavotte of crop loans and precise ceilings, the world has been accumulating the most severe and tragic food scarcity in all history.

The Administration at Washington has reasonable excuses for some of its failures, but there can be no justification or excuse for a considered agricultural policy which produces scarcity in time of great human need.

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From the New York Journal of Commerce, May 1 -

NEW SUGAR STAMP AVAILABLE TODAY - As the new consumer stamp, No. 49 in Book 4, becomes available today it is expected that demand for refined sugar will expand broadly.

It will be several weeks, however, before the new demand can be accommodated, according to brokers.

Two of the New York refiners had larger quantities of raws available for melting operations yesterday and a progressive improvement is anticipated as the ships which had been withdrawn from the Cuban run and subsequently re-assigned begin to make deliveries here.

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RYE RISES SHARPLY AFTER EARLY DECLINE - Chicago May rye, after displaying early weakness, rallied sharply and finished with a net advance of 5c, the limit permitted for a single day's trading, while active oats deliveries scored gains of 5/8c to 3/4c.

An accumulation of overnight selling orders and early weakness at Minneapolis contributed to the decline at Chicago.

The situation surrounding the cash rye market was confused and it was generally expected that the remaining three weeks of trading in the May contract will witness wide fluctuations. Cash rye was in very scarce supply but it was pointed out that if the OPA enacts its previously announced plan all rye will come under a ceiling on June 1, which will be approximately \$1.00 a bushel under prevailing levels. Consequently, it was believed that holders will attempt to liquidate their cash stocks in the meantime.

Oats also were lower early in the session but support from cash and commission houses brought about a recovery.

New instructions from the CCC ordering country shippers to discontinue submitting offers of corn through terminals under the bonus program and to wire direct to the CCC for shipping instructions were interpreted to mean a shutting off of purchases from the country on a to-arrive basis.

Scattered showers were reported in the Southwest but a late forecast indicated probable rains in western Nebraska and Kansas today with these rains to extend over much of the grain belt by Thursday.

Wheat, corn and barley continued at ceiling prices; rye was unchanged to 5c higher and oats unchanged to 3/4c higher. Minneapolis May rye finished 3 1/2c higher which was only partially reflected by cash values in that market while Winnipeg rye futures were 1 1/4c to 5c higher.

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CORN PRODUCTS - Washington advices have indicated that any corn made available to refiners by the Government via its bonus program will be used exclusively for production of starch and for specific end purposes.

Just what these purposes will be remained to be more fully clarified but undoubtedly will include a large percentage for export and designated essential domestic industries.

Meanwhile, refiners were faced with shrinking supplies of corn acquired or contracted for before the Government started buying and were allocating part of their output of the various corn products among regular users but at a level which was far short of the heavy accumulated demand. This was due, in part, to the necessity for setting aside an important percentage of production to be applied again in previous barter deals for corn.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

From the New York Journal of Commerce, May 1 -

NORTHEASTERN FEED SHORTAGE FEARED, Albany, N. Y. - A shortage of feed in the northeastern United States "constitutes the gravest threat yet," to the supply of the area's milk, eggs and poultry, agriculture officials of nine states declared tonight.

"There is no doubt that the United States must do everything possible to help feed starving peoples of Europe and Asia," the Association of Commissioners and Secretaries of Agriculture of the Northeastern States said in a joint statement after a meeting today.

"But at the same time, the health and welfare of consumers in the Northeastern United States must be safeguarded through sufficient production of fresh milk, eggs and poultry," the statement added.

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From the New York Wall Street Journal, May 1 -

SENATE COMMITTEE COOL TO REQUESTS THAT COTTON TEXTILE INDUSTRY BE RELIEVED FROM CONTROLS, Washington - Members of the Senate Banking and Currency Committee now hearing the pros and cons of the Office of Price Administration, are cool to the idea of removing the cotton textile industry from O.P.A. jurisdiction.

Sen. Taft (R., Ohio), an outspoken critic of O.P.A. policies, said he doesn't think the cotton business should be decontrolled immediately. Instead, he suggested that such industries might be decontrolled when production reaches 120% of 1939-40 output.

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HORSES DON'T STRIKE, Editorial - One of the minor controversies which finds place in the back pages of the newspapers these days concerns the relative merit of horses and tractors. The chairman of the Pennsylvania Agricultural Adjustment Administration suggested that the Amish farmers of Lancaster county forego certain religious objections and use tractors instead of horses. He said they could thus grow more food.

Having been in Lancaster county, it is our impression, that whatever methods the farmers there employ there is no one in this broad land who can tell them how to grow food.

Personally it seems to us that, other things being equal, it makes for sense and comfort to plow from the seat of a tractor.....However, the Amish believe otherwise; they say tractors never foal, which is a statement to which no exceptions can be taken.

However, at this particular moment the advice of the AAA official strikes us as somewhat peculiar. We say that as a man who has been attempting to get a tractor repaired.....The time that has been spent in pursuing repair men, plus the time that the repair men spent trying to get parts, plus the time that the manufacturer spent telling the repair men that there were no parts because the men who make parts are on strike--all that time would have plowed all of Lancaster county and left a few remaining minutes to feed and curry the horses.

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HEARD ON THE STREET - Substantial investment continues to be made in National Biscuit shares. It has been bought for portfolios that have not held this stock in many years.

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From The Kansas City Star, April 28 -

SEE CORN PLAN DANGER-Washington-Midwestern senators told Secretary Anderson today that the government's new corn premium order may work severe hardships on the livestock and poultry feeding industry.

Senator Wherry of Nebraska, spokesman for the delegation, told reporters "we wanted to know how long the government expects to continue its program of paying 30 cents a bushel premium on corn to allocate it to industry, and also what it intends to do next."

The senators were told, Wherry said, that the government expects to continue paying premium until it reaches its goal of 50 million bushels of corn purchased.

Wherry explained that the group was not opposed to farmers getting more money for their grain, but believed feeders would be shut out under the present arrangements.

Those attending the meeting included Senators Reed and Capper of Kansas, Johnson and Millikin of Colorado, Robertson of Wyoming, Langer of North Dakota, Connell of Missouri, Gurney of South Dakota, Hickenlooper of Iowa, Senator Bushfield of South Dakota was represented by his secretary, Harry C. Westphal.

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From The Times-Picayune, April 27 -

GIVE EUROPE BEEF BAILEY PROPOSES-Jackson, Miss., (AP)-Governor Thomas L. Bailey tonight called in Mississippians to give a shipload of live stock to starving peoples overseas, load them aboard ship in a Mississippi port, and "let it sail from Mississippi shores with Mississippi good will."

The call was contained in a message from the governor read to the closing session of the second conference on rural life.

The governor called on "our churches, our schools and civic organizations, Parent-Teacher Associations, 4-H Clubs, Future Farmers of America and organized groups of every kind to respond now to the needs of the starving millions.

He urged them "not only to encourage our families to plant gardens but also our school children to grow food for the starving children of the afternoon of the world's most destructive conflict.

He suggested that the shipload of live stock consist of "2-year-old heifers, milch cows, beef cattle and plow stock," saying that Mississippi could well afford to share with starving peoples abroad.

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From St. Paul Pioneer Press, April 25 -

LIVESTOCK, NOT CASH, URGED AS GREEK AID-Greece, razed by the Nazis after her valiant fight and left prostrate after civil war, is a barren country with thousands of starving people, George E. Skouras, national vice president of the Greek War Relief association, said Wednesday in Minneapolis.

Skouras asked Greek-Americans to send livestock to relatives, not money.

"Sending money is like throwing the money into a sewer," he said, "because there is nothing to buy."

A bred cow-one that will have a calf four to five months after arrival in Greece-is the best gift possible for Greece, Skouras said. For \$200 all cost can be covered and shipment will be made under supervision of the United Nations Relief and Rehabilitation administration.

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From The Antigo Daily Journal, Antigo, Wisconsin, April 23 -

WASTED FOOD IN A HUNGRY WORLD-Editorial-At this time of acute food shortages, it is disturbing to read that an estimated 25 per cent of fresh fruits and vegetables grown in this country each year is lost through waste and spoilage. That means, in effect, that one of every four acres devoted to those products is never really used, and that two out of every eight hours which the farmer devotes to them are wasted.

Dr. Charles W. Hauck of Ohio State University has concluded that this lost food would supply the normal fruit and vegetable needs of Belgium, Holland, Czechoslovakia, and Greece. He has further concluded that the excuses generally given for this loss-inevitably due to the perishable nature of the product or the thoughtlessness of a well fed nation--aren't necessarily valid.

Dr. Hauck calls attention to experiments now being carried on in Columbus, O., by retail stores and several suppliers. Losses have been cut by packaging the food in consumer size units at the farm and shipping it in improved containers. They have been cut further by consumer packaging and refrigeration in the stores. In the near future, air transport of highly perishable items and a hoped for speeding up of other transportation will cut the losses even further.

Careless waste in our own kitchens should and can be combatted immediately. In a hungry world it is no less than a moral responsibility to use food wisely and carefully.--N.E.A.

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From St. Paul Pioneer Press, April 25 -

BLACK MART MAY GET N.W. CORN U.S. TOLD-A warning that the black market will get much of the Northwest's corn unless present bonus regulations are changed immediately was sent to Washington Wednesday.

"Very little Northwest corn will qualify for the 30-cent bonus under present regulations," James McElligott, executive secretary of the Northwest Country Elevators association, a group that includes more than 1,200 elevators, said.

"Due to the late and unfavorable growing season in 1945, practically all corn in Minnesota, North Dakota, South Dakota and Iowa qualifies sample grade (below specifications) because of moisture, test weight or damages, even at this time," the telegram stated.

"The producers in these territories therefore would be discriminated against most severely."

The senders, warning that present regulations would result "in much of this corn being handled through the black market," urged that all grades be ruled eligible for the bonus. The corn unfit for food could be diverted into feed channels for livestock, they asserted.

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From St. Paul Pioneer Press, April 28 -

FOOD FOR EUROPE DRIVE MAPPED-Announcement of a state-wide campaign to solicit direct aid of food to be sent to famine-threatened Europe was made Saturday by Mrs. Ruth Gage Colby, Minnesota chairman for Cooperative American Remittances to Europe, Inc.

The over-all plan calls for direct contributions of food to individuals, groups or organizations in Europe, the food being sent in packages already prepared, each containing 30 pounds, she said.

The entire cost to the donor is \$15.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 2 -

ANDERSON VISIONS MEAT CEILINGS END-Washington-Secretary Anderson said today that unless the black market in meat cleared up considerably within ninety days he would favor abandonment of all meat price ceilings.

Testifying before the Senate Banking and Currency Committee for continuation of price control, he asserted that the Office of Price Administration's restoration of slaughter quotas was the "last effort" to funnel meat back into legitimate channels. If it was unsuccessful, he added, the only alternative was "abandonment of these controls."

Whether he represented the prevailing Administration opinion on the subject was open to question, however, as his testimony brought into the open differences on several other stabilization issues. He mentioned four instances in which his recommendations had been overruled.

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GI RATIONS IN EUROPE CUT 300 CALORIES A DAY-AP-Frankfort on the Main-The worldwide food shortage hit the American Army in Europe today when headquarters announced that military rations would be trimmed 300 calories a day.

Effective March 5, soldiers will get less bread, flour, cereals, macaroni, noodles, sugar, lard and bacon.

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WORLD WHEAT GAIN SEEN BY ANDERSON-Washington-Showing more optimism than he has at any time since the famine relief program reached its critical stages, Secretary Anderson told a news conference today that he was "hopeful of reaching the goals we set for the acquisition of wheat over the coming few weeks." He said:

"Although we are not out of the woods yet, crop reports are good, rainfall has been reported from many sections where it was badly needed, and there are other hopeful signs."

Among the latter he listed a report received from North Africa that the wheat crop there, which he estimated at 3,000,000 tons, is good and should be ready for market by June.

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OHIO FARMERS ORGANIZE 'MARCH OF WHEAT', LED BY WOMEN, TO HELP HUNGRY ABROAD-Medina, Ohio-Mrs. Dorothy Moorhouse, a farm mother, heard President Truman's radio appeal for more food for the world's starving millions, and replied today:

"There's the March of Dimes. Why not a March of Wheat?"

Mrs. Moorhouse, who manages her 106-acre dairy farm, suggested that each farmer in her community contribute a sack or two of wheat.

"There are a lot of farmers who never sell their wheat; just raise enough to feed their livestock," she said. "We wouldn't go to the mill just to sell a few bushels, but we would give those bushels, if someone started the thing going."

The idea spread through Medina County and has been fully organized now.

(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, May 2 -

RYE MOVES UP 4 3/4C ON SHORT COVERING-Chicago-May rye came within 1/8 cent today of advancing the limit of 5 cents a bushel on the Board of Trade. This was in the face of soaking rains, in parts of the Northwest, West and Southwest, which are expected to be followed by marked improvement in the outlook for small grain crops.

Short covering was effective in advancing rye and the finish was about the top, with a gain of 4 3/4 cents. In Winnipeg May rye rose 5 cents for the second day.

Active deliveries of oats here gained 1/8 to 1/4 cent, largely in sympathy with rye. May and July oats, the new-crop deliveries of rye, and wheat, corn and barley futures were unchanged at ceiling prices.

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COTTON PRICES SAG IN MODERATE TRADE-Although there was only a moderate amount of business yesterday in the cotton futures market on the New York Cotton Exchange, prices turned downward and closed 18 to 36 points net lower.

Some of the selling was influenced by Secretary of Agriculture Anderson's statement before the Senate Banking Committee that he favored strong price controls to prevent a future depression. Favorable weather in the cotton belt was also a factor.

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JAPANESE PARADES STRESS FOOD NEEDS-Tokyo-Perhaps half a million persons paraded today in Japan's first May Day celebration in more than forty years. Their banners demanded a seven-hour day and removal of the Shidehara Cabinet, but above all they demanded food. The working class in Japan knows that it is about to go hungry.

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30% GRAIN CUT TO STAY, BEER MAKERS ARE TOLD-Atlantic City-Secretary of Agriculture Clinton P. Anderson has notified the beer industry that the 30 percent cut in grain allotment will continue for at least ninety more days, Charles Nash Jr., Jersey City, president of the State Beverage Association of New Jersey, declared today.

Mr. Nash also told delegates that Mr. Anderson has assured the industry that no further grain cut is contemplated. Mr. Anderson made known his department's position in a telegram yesterday to the National Beer Association in Chicago.

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THE BATTLE FOR FOOD-Editorial-President Truman, Mr. Hoover, Mr. La Guardia and others have rightly emphasized the next two or three months as critical in the world's battle against widespread famine. Chairman Chester C. Davis of the President's Special Famine Emergency Committee adds a necessary warning. Whatever we do during the next few weeks, and we must do a great deal, the danger will not automatically vanish on July 1 or Aug. 1, with the stripping of a leaf off the calendar. If we can prevent starvation until that time we will only have won what Mr. Davis calls "the first sprint." There will then be a "breathing spell" before mass hunger reappears in the late winter of 1947. There will be no safety until the world's food-producing areas are back to normal.

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From the New York Wall Street Journal, May 2 -

BREAD SHORTAGES REPORTED - Bread shortages have shown up in a few cities as a result of Government action to divert more wheat to Europe by restricting domestic use of flour. Millers expect most cities will find bread scarce soon. Yesterday, retail grocers in Kansas City started rationing bread, some holding each customer to two loaves. In Louisville, Ky., wholesale bakers halved deliveries to retailers.

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RETAIL FOOD SALES LAST YEAR HIT RECORD - Retail food sales totaled \$18,410 million in 1945, the highest volume in history, and an increase of \$540 million, or approximately 3% over 1944, the Progressive Grocer, a trade paper reported. Retail food prices averaged slightly more than 2% higher, according to the Bureau of Labor Statistics. Tonnage sales for 1945 were at least 3% ahead of 1944.

The dollar volume was \$10 million higher than 1933 and more than twice 1935's sales, the paper reported after a survey of 3,000 retailers, 600 wholesalers and various trade and Government sources.

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BEVERAGE DISTILLERS MAY BE FORCED TO CUT ALLOTMENTS TO RETAILERS - The Department of Agriculture order cutting operations of distillers using grain to three days for May from five days in April probably will mean further reductions in whisky allotments to retail stores.

No general action by the industry is expected, however, because of varying sales policies by the big distillers. Some firms, who have been pushing sales because of comparatively large stocks, may cut their dealer allotments. Others, who already have been rationing their dealers, may ship about the same amounts as before.

The action, of course, will postpone further the period when inventories of whisky for aging can be rebuilt.

Several large firms are using potatoes to make blending spirits. One concern is utilizing 15 carloads a day and plans to use surplus dehydrated potatoes soon. Alcohol yields from potatoes are fairly high and the grade of spirits is good.

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DISTILLERY OPERATIONS UNCERTAIN, Louisville - Millard Cox, counsel for Kentucky Distillers Association, said the new Federal restriction makes continued operation of distilleries uncertain.

"It is too early to predict whether any plants will have to close," he said. This depends on whether they can operate economically under this further curtailment of production.

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(Turn to page 4 for other items from today's N. Y. Wall Street Journal)

Farm Digest 925-46-3

From the New York Wall Street Journal, May 2 (Cont.) -

LITTLE BONUS CORN TO BE EXPORTED, Washington - Reversing previous statements from the Department of Agriculture, Secretary Anderson said yesterday that not more than 5 or 6 million bushels of the 30-cent bonus corn will be exported. Department officials originally informed corn processors that the Department planned to export all the 50 million bushels of corn it is endeavoring to buy under the bonus program.

Later, this statement was amended by a press release saying that while most of the corn would be exported as grain or as corn products, some would be available to U. S. processors to make corn starch for industrial uses.

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CHICAGO LARD STOCKS DECREASE, Chicago - Storage stocks of lard here on April 30 totaled 8,201,078 pounds; a decrease for the month of 4,273,837 pounds. A year ago stocks totaled 3,605,055 pounds.

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RAIN IN WINTER WHEAT BELT, Chicago - Rains came to sections of the parched western winter wheat belt yesterday, reviving hopes that this area still would be able to produce a good crop of bread cereal. Heavy rains also occurred in corn growing lands of Central Illinois and Indiana.

The Weather Bureau reported overnight rains in western Kansas and Nebraska, where it was still raining. No rains in the past 24 hours were reported from western Oklahoma or Texas panhandle, heavy winter wheat growing areas which are in need of moisture. But the forecast was for rain in northwestern Oklahoma yesterday afternoon, spreading over the state later in the night.

Heavy rains fell in the spring winter wheat belt of the Northwest. Spearfish, S. D., had 2.37 inches, and Rapid City, 1.82 inches. Grain men said this area, where spring wheat is now being planted, is not in as crucial a need for rain as the Southwest, where wheat planted last autumn is now approaching its harvest period.

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CANADIAN WHEAT EXPORTS, Ottawa - The Dominion Bureau of Statistics said it was expected that Canada's exports of wheat and wheat flour might exceed 340 million bushels in the current crop year.

In its monthly summary of the world wheat situation, the Bureau said Canada's below-average 1945 crop, together with the high rate of exports maintained through the first eight months of the crop year, had reduced total stocks of wheat on March 31 to 213.4 million bushels, from 504.2 million at the like date last year.

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DISTILLERY STORES - Liquor shares were generally weak although they recovered some of their losses. Distillers Corp. Seagrams closing at 101, was up about 4 points from the day's low and up $1\frac{1}{2}$ on the day. Schenley closed at 78 $\frac{3}{8}$, and National Distillers at 74 $\frac{7}{8}$, off 1 $\frac{5}{8}$.

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From The Christian Science Monitor, April 29 -

FOOD PREMIUMS, Editorial- Again, despite conservation measures, the United States has failed to meet its goal in the race with famine. Lagging behind another 94,000 tons in its wheat shipments during early April, it now has an accumulated shortage of 407,000 tons for the year.

While responsibility for the shameful failure lies mainly at the Government's door for not taking early enough or drastic enough steps, few Americans can say they have done all they could.

Domestic consumption has continued unnecessarily high, and food purchasers have been misled by the argument that abstention from buying would cause wastage.

Actually waste, even in the case of perishables, would be slight and temporary compared with the gain. A few loaves of bread might spoil on store shelves, but soon bakers would be calling for less flour and millers for less wheat. More would be left to fulfill America's pledge to UNRRA.

Recent new restrictions on production should help considerably, but more drastic steps are still called for. And the house wife is still in the dark as to how much her family can consume and still do its part in relieving the famine situation. Her cooking is not done in tons and bushels and percentages. Illinois' Representative Emily Taft Douglas has the right idea in asking the Department of Agriculture to draw up a voluntary saving program, setting family weekly quotas on bread, flour, cereal, butter, meat, and other scarce foods. Such a program is vitally essential to public co-operation.

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From Farmers' Elevator Guide, April, 1946

BORROWED WHEAT, Editorial-The American people" hold feelings of utmost compassion toward the starving millions of Europe and the Orient. But try to persuade the city man to give up his half-worn suit to a clothing collection, or a farmer with wheat in his bin on which he sits tight against possible price advances, to sell it now for export. That's a horse of another color. Hence the government's plan to "borrow" the farmer's wheat, announced April 3. If the farmer is paying insurance on his grain, he can cancel it. He empties his bins in preparation for the 1946 crop. In case the price goes up before March 31, 1947, he gets the benefit of it. For tax purposes the grain is not regarded as "sold" until the CCC receipt is cashed which may be as late as the date just mentioned.

The local elevator gets its usual "spread," the railroads their regular tariff, the commodity exchanges get theirs. So far as we can see nobody has been left out. It is too soon to say how well the plan will work. The next 60 days will tell the tale.

Wartime prosperity has made grain farmers more independent than they ever were. Time was, when pressing debts forced the sale of the crop as soon as it could be hauled to market. But not now. The farmer is free to hold for the normal seasonal rise if he chooses, or to speculate on the chances of inflation or a short world supply. The question whether he is smart or foolish is not under discussion here. The farmer is, among the several large population groups, the most outstanding individualist of all Americans. He resents being pushed around. You can coax but you cannot drive him. When he finds himself in a position of advantage as he is just now, he is not slow to take advantage of it. Who wouldn't?

From Watertown, N.Y., Daily Times, April 26 -

MILK STRIKE PROPAGANDA, Editorial-The Associated Press reports that Henry H. Rathbun, president of the Dairymen's League, when in Washington last week where he campaigned against price control, said ominously, "We may not be able to prevent a strike of producers." What Mr. Rathbun was apparently seeking to convey was that the farmers are against price control and unless such control over milk is ended, the producers may strike in protest.

We hope Washington will take Mr. Rathbun's words with the same grain of salt as they are taken throughout the New York milk shed. There is no talk among the farmers of a milk strike. It is all coming from Mr. Rathbun and some of his associates.

The Farm Lobby is trying to kill the milk subsidy and substitute higher retail prices. The farmers, themselves, prefer the subsidy. But no one listening to Mr. Rathbun would think this were the case. On the contrary, the president of the Dairymen's league pictures the farmers as up in arms against price control.

All this talk about a milk strike is simply a part of that propaganda.

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From St. Paul Pioneer Press, April 29 -

REICH SLACKERS SHUN FARM WORK-Frankfurt-(UP)-Thousands of German slackers are living off savings instead of helping solve the critical farm labor shortages, a U. S. Military Government report charged Sunday.

The report acknowledged the international grain shortage is primarily responsible for the German food crisis, but adds that the German people "are not taking seriously" their own responsibilities for increasing production.

As a result, military government officials are considering organizing a youth farm labor program.

The report said the military government's food program has been hampered by farmers hoarding and "Germans who because of high taxes or social status or some other reason prefer to sit home and live off savings instead of going to work."

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From The Kansas City Times, April 24 -

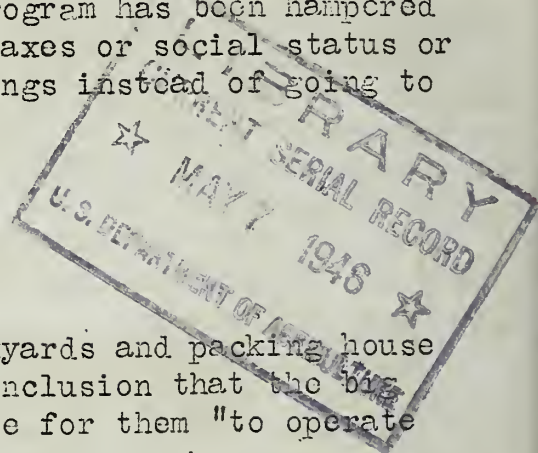
SAY PACKERS "NOT BUYING"-A month's study of stockyards and packing house records have led district OPA officials here to the conclusion that the big packers "just aren't buying" even though it is possible for them "to operate at a profit."

These conclusions were advanced yesterday by Dick F. Bennett, OPA enforcement attorney, and Joe Koralchik, food enforcement attorney, who have handled the probe on orders from Washington. The study was ordered after the big packers practically left the market with the explanation they couldn't meet the competition of custom packers in the cattle market and remain in compliance with OPA regulations.

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From The Milwaukee Journal, April 24 -

TRAIN WILL MAKE STATE FOOD TOUR-Madison, Wis.-(AP)-Gov. Goodland's office announced Tuesday that a victory garden special train would tour six Wisconsin cities May 2, 3 and 4.



(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 3 -

EMBARGO ON RAIL FREIGHT DUE MAY 10 IN COAL CRISIS; FOOD, LIVESTOCK, FUELS EXEMPTED - Washington - A drastic embargo on railroad freight shipments, excepting foods, fuels and a few other essential items and a 25 percent reduction in passenger service, effective May 10 on coal-burning railroads, were ordered today by the Office of Defense Transportation because of the coal shortage.

At the same time, President Truman told a press conference that while he viewed the thirty-two-day mine strike with alarm, he did not consider it as yet a walk-out against the Government. He added that he would consider it such a strike if it became necessary, but he did not say when that would be.

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RAIN SAVES WESTERN CROP - Chicago - Crop-saving rains fell today over most of the Central Plains States breaking a drought that had threatened the world's food supply. Still more rain was predicted for the areas which had received relief, but Michigan, Wisconsin and Minnesota reported almost no precipitation and none was in sight.

The Weather Bureau at Chicago reported that substantial rains had fallen over all of Indiana and Illinois, except the northernmost portions, and over Montana, Iowa, Missouri, Kansas and Nebraska. The rains were heaviest over western and southwestern South Dakota, where crops were in danger.

Heavy snow was reported in some parts of Wyoming and Colorado. Seventeen inches were recorded at Casper, Wyo., and eight inches at Cheyenne, Wyo.

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BRITAIN AGAIN CUTS FLOUR - London - Britain's white bread will go even a shade darker by raising the extraction rate of flour from 85 percent to 90 percent, and the production of biscuits and cakes is to be cut by 25 percent.

Announcing these further grain economy measures today, Sir Ben Smith, Minister of Food, said: "It is hoped that these drastic steps will enable the most stringent period between now and the gathering of the next harvest to be bridged."

The cut in biscuits and cakes will be effected by reducing supplies of sugar and fats to bakers by 25 percent.

The rise in extraction rate of flour--it was 73 percent before the war--will mean a loss of about 300,000 tons of animal feeding stuffs through a whole year.

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COTTON PRICES UP, WIDE RANGE IN DAY - Cotton futures on the New York Cotton Exchange fluctuated yesterday over a fairly wide range, although the volume of business was rather small. Final prices were at virtually the best levels of the day and 10 to 17 points net higher than on Wednesday.

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(Turn to page 2 for more items from today's N. Y. Times.)

From The New York Times, May 3, (Cont.) -

MAY RYE ADVANCES THE 5-CENT LIMIT - Chicago - May rye closed today with a net rise of 5 cents a bushel, the permissible limit, on the Board of Trade after breaking 5 cents from the early high at one time on stop-loss selling.

The deferred deliveries of rye in Winnipeg were likewise up 5 cents, with trading in May now restricted to liquidation of outstanding contracts. The May delivery there held unchanged at \$2.83 with no business reported. In Minneapolis May rye gained 4-1/4 cents. Cash rye premiums were unchanged to 1 cent down.

There was nothing in the news to account for the strength in rye.

Oats were easy early with September off 1/2 cent on selling induced by good rains over parts of Iowa, Illinois and Indiana, and on an announcement that the Government completed exporting only 5,000,000 to 6,000,000 bushels of cash corn now in process of being purchased by the Commodity Credit Corporation.

May and July oats held at the ceiling. Wheat, corn, barley and the deferred deliveries of rye were likewise unchanged.

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MR. ANDERSON DISSENTS - Editorial - About a year ago a report of a Congressional food investigation was issued and created a favorable impression because of its clear-cut analysis and forthright recommendations for changes in policy. The chairman of the committee was Clinton Anderson. Largely as a result of that report, Mr. Anderson became Secretary of Agriculture. In that position he has continued to follow a policy of forthright comment. The latest evidence is found in his testimony before the Senate Banking and Currency Committee concerning the extension of price control.

Mr. Anderson testified that the black market situation in meat is serious. He supported substantially all of the criticisms which have been directed by meat packers against the handling of the meat situation. In his judgment, slaughtering quotas which have just been reimposed represent the "last effort" to correct the meat situation, which has been getting steadily worse. If this does not work, Mr. Anderson testified, then the only alternative would be "abandonment of these controls." Mr. Anderson made it clear, however, that he was speaking only for himself, and that there was no assurance that such a policy would be followed.

A number of instances were reported in which he had disagreed with policies adopted, but in which the alternatives he had recommended were ignored. This testimony brings out clearly the conflict concerning policy within the Administration.

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CRIMINAL TRIALS BY U. S. LOOMING IN WAR ON LUMBER BLACK MARKET - The growing acuteness of the black market in lumber and other building materials has compelled the Office of Price Administration to place price enforcement in this industry in top priority on a nation-wide basis, it was disclosed yesterday.

Joseph Forer, national director of the OPA's apparel and industrial materials enforcement office, is touring the country to instruct regional officials in their investigations of the situation, it was learned.

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THREATEN TO PICKET DETROIT GROCERIES - Detroit - The International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, AFL, warned today that it would establish picket lines around each of more than 6,400 retail meat and grocery stores on Monday unless the owners consented to pay fixed fees for union members to deliver supplies.

From the New York Herald Tribune, May 3 -

TRUMAN TO PUT RATIONING BACK IF CROPS FAIL, Washington - President Truman asserted today he would restore war-time food rationing in the event of a crop failure, but re-emphasized that consumer rationing now is not being contemplated since it would not get food to overseas famine zones during the present crisis, which is expected to ease somewhat by July.

If there should be a disastrous crop failure, the President told reporters, he would not hesitate to order food rationing. He added that if there were good crops, however, he didn't think rationing would be necessary.

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From the New York Wall Street Journal, May 3 -

END OF SUBSIDIES, PRICE CONTROLS ON MEAT URGED BY SENATE GROUPS, Washington - A Senate Agriculture subcommittee, headed by Sen. Thomas (D., Okla.), yesterday issued a report calling for immediate end of subsidies and price controls on meat.

Sen. Thomas declared that testimony of Agriculture Secretary Anderson before the Senate Banking and Currency Committee on price control extensions completely supports the subcommittee conclusions.

The report was signed by Senators Thomas, Bushfield (R., S.D.), Wheeler (D., Mont.), and Stewart (D., Tenn.). The only member who failed to endorse the recommendations was Sen. Aiken (R. Vt.).

The Senators contend that an end of subsidies and price controls would stimulate the marketing of livestock and the production of meat, drive black market operators out of business, and make a large supply of meat available at prices lower than consumers are now paying in the black market.

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CANE REFINERS FACE 15% CUT THIS YEAR IN RAW SUGAR SUPPLIES - Although civilians are expected to get about as much sugar this year as they consumed in 1945, officials of the cane refining industry declare that Atlantic and Gulf refiners face a 15% cut in raw sugar supplies. This is on the basis of the sugar allocations recently announced by the Combined Food Board.

Industry officials estimate the refiners will get supplies to melt about 3,380,000 tons of sugar during 1946 compared with meltings of about 3,980,000 tons in 1945. The reduction might be greater since the sugar crop estimates on which the Food Board based its conclusions now are being pared down.

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INTERNATIONAL HARVESTER HAS PROFIT IN ITS FIRST QUARTER DESPITE STRIKE, Chicago - Operations of the International Harvester Co. in the first half of its current fiscal year are believed to have resulted in a profit despite a strike that halted the company's farm equipment output for 13 weeks.

In fact results are understood to have been quite favorable in the quarter which ended January 31. Sales in the three months were 28.3% below the like period of the previous year and were 21.2% below the quarter ended October 31, 1945. In addition to the good first quarter, the truck division is believed to have achieved excellent earnings.....during the six months ended April 30, the first half of the fiscal year.

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From the New York Journal of Commerce, May 3 -

U.S. TOP POLICY RIFT DEVELOPS TO BALK WORLD COTTON PACT, Washington - Efforts to develop an international cotton agreement have met a difficult stumbling block because of differences of view between the United States Department of State and Agriculture on proposals to include in the agreement world trade rules, promulgated as part of the international trade organization charter.

The differences of view arise from the Department of Agriculture's concern to insure a continued market for American surplus cotton and the Department of State's efforts to implement world fair trade rules which it has advanced for international acceptance.

The difficulties arose when the State Department, backed principally by cotton consuming nations, took a position for including a formula in the draft cotton agreement which would provide for the eventual shift from high-cost to low-cost cotton production. This is in accord with its principles governing inter-governmental commodity agreements.

Great Britain and France were among countries taking the leadership in backing the State Department position. Brazil is thought also to have backed inclusion of the formula.

Agriculture Department representatives, taking the view that the United States should have an export quota ranging from 40 to 50 per cent of world cotton exports have been unwilling to accept a quota plan which would operate to diminish this country's share in exports over a period of years as "uneconomic" or "high cost" production was reduced.

Final decision as to whether an international cotton pact should be developed for adoption now will be reached at the international cotton advisory committee sessions, opening May 7.

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USE OF WOOL SHOWS 12% GAIN, Washington - Raw wool consumed during February averaged 14,400,000 pounds per week which was 12 percent more than the previous month and 6 per cent more than in February, 1945. Of the total amount consumed, 11,900,000 pounds was apparel class and 2,500,000 pounds was carpet class wool.

Foreign wool accounted for 90 per cent of the total apparel class wool consumed during February and for 91 per cent in January. This compared with 69 per cent in February, 1945.

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MILL COMMITMENTS TOP WHEAT SUPPLY - A number of mills which were closed down during the latter part of April have resumed operations but very little new business was being taken as orders on hand, in most instances, were in excess of the quantity of wheat on hand.

Some mills were endeavoring to provide for immediate needs of regular consumers whose flour stocks had reached the exhaustion point but the quantity available amounted to only a small fraction of over-all requirements.

Provided grinding is not brought to a premature halt by a walkout of grain elevator workers in protest against the Government bonus program, it was expected that many mills will continue operations until wheat stocks have been consumed and then shut down until the new crop starts to move or the Government releases supplies. Indications were that closings will start around the tenth of this month and increase sharply during the following ten day. Some mills with inventories exceeding the 21 day limit were planning to turn over their output to the Government until that level is reached and then resume production for the domestic market.

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From St. Paul Pioneer Press, April 30 -

WHEAT BONUS CALLED UNNECESSARY-Crookston-(UP)-Farmers of the Crookston district believed the 30-cent per bushel bonus plan is nice to have but was unnecessary bait to draw wheat off farms to starving Europe and Asia.

The slow reaction of the farmers near this town of 8,000 in the Red River Valley wheat belt was expressed independently by many.

"Farmers are patriotic and humanitarian," said Martin T. Larson, one prosperous farmer questioned in the quick United Press spot survey.

"I don't think the 30-cent per bushel bonus plan, while nobody is going to turn it down, was really necessary to induce farmers to move what wheat they have in answer to the government's appeal for more wheat to feed starving countries of Europe," Larson said.

"It makes me mad," said Veral Gibbons, warmly, "to have people in the cities think that farmers have been hoarding."

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From The Commercial Appeal, April 28 -

TYPICAL OF MISSISSIPPI-Editorial-If Mississippians heed a call of Gov. Thomas Bailey, and knowing Mississippians, we believe they will, a shipload of that state's beef will be sent to starving peoples overseas. It would be a typical gesture of a consistently generous people.

If Governor Bailey did not know that his state is in position to make such a gift he would not have suggested it.

He is asking schools, civic organizations, Parent-Teacher groups, 4-H Clubs, Future Farmers of America and others to participate in the undertaking, and he suggests that the shipment be made up of two-year-old heifers, milch cows, beef cattle and plow stock.

His idea is to load the shipment at a Mississippi port and send it directly to an overseas destination with the good wishes of the people of Mississippi. We suggest a tag expressing those sentiments be attached to each animal.

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From The Des Moines Register, April 29 -

FARMER, LABOR UNITY SOUGHT-The third district United Packinghouse Workers union (C.I.O.) resolved Sunday to foster a movement for farmer-labor understanding to "make a stand for the cause of the common people."

About 40 representatives of the union from Iowa, Nebraska and Colorado met with farm organization representatives in a panel discussion at Des Moines.

Large corporations and the National Association of Manufacturers were the main target of attacks by speakers for both labor and farm organizations.

It was charged that large corporate interests and the N.A.M. have tried to drive a wedge between the farmer and labor whereas they should be bound together by their identity as producers and common people. "It's a matter of teaching the farmer the ABC's of the union and teaching union members to understand the farmer. We must teach them how their problems are alike, not how they differ," A. T. (Tony) Stephens, Des Moines, district director of the union, said.

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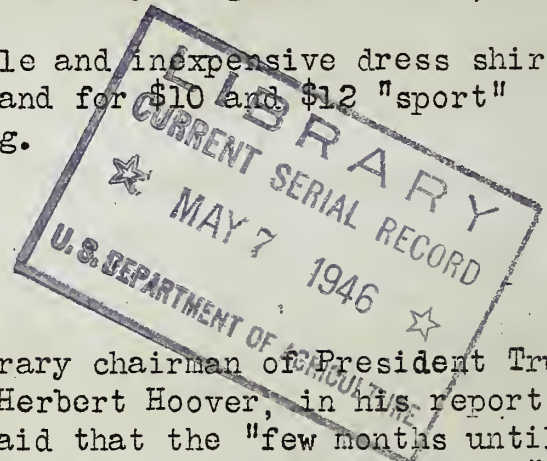
From The Milwaukee Journal, April 30 -

THE OPA AND PRODUCTION-Editorial-Harold T. Smith, our district OPA director, discussing the present practices and objectives of his agency, makes the point that, since production is now at an extreme high, it cannot be said that OPA controls have hampered industrial output.

Mr. Smith's contention here, it seems to us, calls for some important reservations. It is true that production in terms of dollars is high at this time, but that does not mean that the production picture is anything like satisfactory. It is true that retail store sales are phenomenal, but that does not mean that consumers' essential needs are being satisfied.

In the first place, much of present production is in uncontrolled luxury items. For this reason, the quantity of production is poorly shown by dollar comparisons with other periods. For this reason, too, much of present production, while absorbed by the people for lack of anything else to buy, does not meet their real needs.

When practical work shirts are unavailable and inexpensive dress shirts hard to get, there will naturally be some demand for \$10 and \$12 "sport" shirts. After all, people must wear something.



From The Utah Farmer, April 25 -

HERBERT HOOVER REPORTS-Editorial-As honorary chairman of President Truman's Famine Emergency Committee, former President Herbert Hoover, in his report to the International Food Conference in London said that the "few months until the next harvest are the most critical food period in all modern history."

With the coming of the harvest world food problems will not be ended but with favorable weather conditions the situation after harvest will be much easier, he pointed out. The European food situation, according to Hoover, cannot be described by such words as "starvation" and "famine." The world uses those words very loosely and in modern civilization whole nations do not "lie down and die." "Nothing is more preposterous than the opinions of travelers on the Continent who live on black market food at prices out of reach of 99% of the people," Mr. Hoover added in explaining that travelers glibly report there is no widespread death-dealing famine on the Continent of Europe.

In concluding his report the former president said, "The responsibility of saving human life rests heavily upon the world. We have emerged from a terrible era of killing of men, women and children. The world must look forward with hope and the dawn of that hope can be made glorious by an era of saving of health and life."

Farmers of our state can make their contribution toward the health and life of Europe's suffering millions during this critical period by conserving feed, wheat, fats and oils, by meeting the goals set forth by our agricultural leaders and by eliminating food waste. Cooperation in this great effort will give our children a chance to live in a peaceful world with the children of our late enemies.

From Chicago Daily Tribune, April 30 -

WARMS FARMERS MAY NOT GAIN IN PARITY CHANGES-The inclusion of farm wages in the computation of parity may work to the detriment of the farmer, the Federal Reserve Bank of Chicago said in its monthly review of business conditions.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 6 -

MRS. TRUMAN TO AID FOOD COLLECTION-Secretary of Commerce Henry A. Wallace announced here yesterday the membership of the national committee of the Emergency Food Collection. The drive is designed to appeal, in behalf of the United Nations Relief and Rehabilitation Administration, for gifts of cash and food to aid starving peoples all over the world.

The committee includes sixty four prominent Americans, among them Mrs. Harry S. Truman. Leaders of the Protestant, Catholic and Jewish faiths are on the list. Mr. Wallace reported that ministers had been urged to make special appeals on Mother's Day next Sunday, the opening day of the drive.

While Mr. Wallace's announcement said gifts of money and food were sought, he added that the emphasis would be on obtaining cash donations. This is in line with the desire of Fiorello H. La Guardia, director general of UNRRA. He had vetoed the original idea of the Wallace group for food gifts, on the ground that the cost of packaging, plus retail purchase, increased original and distribution costs as well as collection expenses.

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500,000 MORE TONS OF GRAINS PLEDGED BY PERON IN FAMINE AID-Washington-President-elect Peron of Argentina has informed the United Nations Relief and Rehabilitation Administration that his country will ship 500,000 tons of wheat and corn to the starving people of Europe by the end of this month, and he has promised further aid.

In a message to F. H. La Guardia, Director General of UNRRA, Colonel Peron said that the shipment was in addition to recent consignments. These included 105,000 tons of corn, already in port and ready for shipment, which was substituted for wheat in order to speed delivery; 130,000 tons of wheat and 70,000 more tons of corn.

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HOOVER CONFERS WITH MACARTHUR-Tokyo-Herbert Hoover arrived at Atsugi Airport this afternoon and went into conference with Gen. Douglas MacArthur at his headquarters.

Mr. Hoover said he would outline the result of his talks on the delicate question of food for defeated Japan at a press conference tomorrow. It was understood that General MacArthur was anxious to obtain more supplies for the country, now at the lowest ebb since last August's surrender, to stave off Japanese unrest and the possibility of trouble for the occupation forces.

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HELP NEEDED IN KOREA-Seoul-Following a conference yesterday with officers of the United States military government and provincial governors on the Korean food situation, Herbert Hoover said that Korea, to maintain basic standards, would need assistance until the harvest three months hence.

(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, May 6 -

CITY INTERCEPTS 3 SHIPMENTS IN DRIVE ON SUB GRADE MILK-Fifty thousand quart of milk that did not meet municipal standards were intercepted by Department of Health inspectors on three nights last week, it was announced yesterday by Acting Health Commissioner Israel Weinstein, who served notice to producers that no lessening of butterfat content would be permitted.

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HATCHING EGGS GOING BY PLANE TO POLAND (AP)-Dayton-A plane load of 55,800 hatching eggs is expected to leave here tomorrow for Warsaw in an effort to help hungry families of Poland.

The plane was provided by the United Nations Relief and Rehabilitation Administration in an experimental project which, if successful, will be repeated later with day-old chicks as passengers, according to Ray Petersime, manufacturer of Gettysburg, Ohio.

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From The New York Herald Tribune, May 6 -

MEAT SLAUGHTER RISES, BUT CITY SUPPLY FADES-Major slaughtering houses in the New York metropolitan area reported a heavy upswing yesterday in their activities, in one case as much as 300 percent above the average production of the last eight months, but on the retail front city housewives were expected to find red meat shorter than ever this week.

The conflicting picture of meat conditions, bad as it is for potential consumers, was further brightened on the wholesale side with the announcement that Cudahy Packing Company today will reopen its long-closed Jersey City plant, the company's largest in this area.

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DRIVE ON BLACK MARKET-Philadelphia-The Philadelphia Police Department today declared "outright war" on black-market operators.

George F. Richardson, inspector of detectives, organized a special squad of twenty-two of the city's detectives to combat illegal dealings in scarce items.

He said he believed many of the gangs which specialized in liquor dealing during prohibition were involved in the current outbreak of black-market operations.

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RETAILER GROUP STATES POSITION ON PRICE CURBS-Washington-"Business wants to be sure that government definitely has set its feet in the path of return to a free, competitive economy," the American Retail Federation declared today in a statement of policy on price control.

Retailing, the statement observed, is in agreement that maximum average price regulation should be abolished, that the cost absorption principles be modified, that the Office of Price Administration be given a definite terminal date of "death sentence" and that progressive decontrols be initiated in the interim period.

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From the New York Journal of Commerce, May 6 -

NEW FLAME CULTIVATOR NOW IN PRODUCTION - First units of the new flame cultivator, the invention that substitutes spurts of flame for the old hand hoeing process in the crop row, are now coming off of the production line, according to an announcement by the New Holland Machine Co.

The flame cultivator is a tractor-hitch appliance that kills weeds and vines in the plant rows by throwing a short, intense, well directed flame into the crop drill, shrivelling the weeds without causing damage to the more fibrous cotton plant stalks.

Although originally designed for use in cotton growing, the flame cultivator shows promise for weed and grass control in the growing of sugar cane, corn, soy beans, orchards, truck crops and other farm products.

Operating on bottled propane or butane gas, or with kerosene in conjunction with a compressor, the two-row model of the flame cultivator can successfully work as much as 125 acres of cotton and do the work of approximately 25 hoe hands.

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PRICES DECLINE ON PROFIT-TAKING - Week-end profit taking in a thin market forced prices down as much as 80c a bale on the New York Cotton Exchange Saturday. The closing range was unchanged to off 13 points.

The trend during the week was downward. Active months lost as much as \$2.25 since the preceding Saturday.

Pessimism was attributed to reports that the House bill curbing OPA authority would be modified. Some business leaders, such as Eric Johnston, president of the United States Chamber of Commerce, favored extension of price controls. Secretary of Agriculture Anderson, whose support of controls had seemed mild, said that they should not be lifted until production reached between 150 and 200 per cent of 1940-41 production.

Crop news also became a factor as interest shifted from near positions to distant deliveries. Private reports of leading spot firms and other services, including the Department of Agriculture, indicated increases in acreage of 10 to 25 per cent. In some areas planting was reported completed, with the new crop at a good stand. Some reports of excessive rains and of cool nights during the week did not dim the optimistic estimates.

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MILL WHEAT STOCKS CONTINUE TO DROP - Although many flour mill resumed operations on May 1 after being closed down during the latter part of April following completion of their April delivery quotas for the domestic market there has been very little selling with the bulk of the output being applied against orders already on hand.

Stocks of wheat in mill hands continued to shrink and with all sources of wheat supply shut off by the Government purchase program there will be a very sharp drop in flour production this month unless the Government releases substantial quantities of wheat, a possibility viewed as very slim by trade spokesmen owing to heavy export commitments and the comparatively short period remaining for making up the export deficit of the past four months. It was estimated that mills in the Southwest will be able to operate a 14-day average this month before wheat stocks are exhausted while Northwestern mills will grind for a somewhat longer period but inventory restrictions will limit them to a maximum of 21 days for the domestic trade... Indicative of the tightening situation, it was reported that drivers for large bakers were attempting to purchase as much flour as possible from retail grocers in a desperate effort to stretch their supplies.

(Turn to page 4)

From the New York Journal of Commerce, May 6 (Cont.) -

CHICAGO MAY RYE UP FIVE CENT LIMIT -- May rye again established a new all-time high in the Chicago market on Saturday, advancing the daily limit of 5c to \$2.77 3/8 as shorts continued their desperate efforts to cover.

Deferred oats futures sagged slightly during early dealings on scattered selling prompted by reports of additional rains in Midwestern areas, but rallied to finish with small gains influenced by the strength in rye and the scarcity of country offerings. The cash demand for oats remained very active and much in excess of the spot salable supply. Talk persisted that the Government may offer a bonus on oats in order to stimulate marketings.

Considerable attention was attracted to reports of a possible boost in the corn ceiling price to the level now being paid by the Government.

Government purchases of corn were reported to be reaching a fairly substantial volume, but the wheat purchase program appeared to be lagging and there were indications that sprouted wheat may be accepted provided it is suitable for milling.

The outlook for grain crops generally was materially improved by rains which blanketed most of the belt during the past week and considerable recuperation was expected where wheat had started to suffer from the previous lack of moisture.

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FATS, OILS SUPPLY IMPROVEMENT HELD HINGING ON '46 HARVESTS - Washington - No improvement is expected in the general fats and oils situation before the end of 1946 when harvest here and abroad may relieve tight conditions, the Department of Commerce reported at the week-end.

If no unforeseen difficulties arise, a more favorable domestic supply position may be expected in 1947 with a consequent relaxation of controls and return to normal operations, according to an annual review of the industry prepared in the Foodstuffs, Fats and Oils Division.

Domestic supplies this year will probably equal the 1945 total of 9,500,000,000 pounds, the report states. Major factor in maintaining this level is the animal fat output. Although total production of fats and oils in 1945 was considerably below the 1943 peak of 10,848,000,000 pounds, it compares favorably with the prewar average for 1937-41 of 8,230,000,000.

Civilian consumption of edible fats in 1945 was the lowest since the beginning of the war and 13 per cent below prewar levels, according to the review. The outlook, however, based on production estimates for 1946, is somewhat better.

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PRESSURE ON OPA, BLACK MARKET DRIVE CUT CATTLE MARKETINGS TO LOW LEVELS, Chicago - Outlook for more beef on the nation's dinning table has grown dimmer as cattle receipts at the Union stockyards last week dropped to one of the lowest points since depression years.

Market observers attributed the decline to a chain of factors: (1) Farmers and ranchers holding back beef animals in hopes OPA ceilings on meat would be removed.....(2) Weaker prices since Eastern order buyers withdrew from the market two weeks ago.....(3) Heavy country buying and holding by speculators.....(4) Fewer cattle on feed than a year ago....Salable receipts were 30,500 head of cattle at the Union stockyards this week. Christmas week yielded fewer numbers, but that was for four days.

From The Kansas City Times, April 30 -

THREAT TO FLOUR-The American milling industry and grain processing labor are in the most desperate plight in recent years as a result of the government's grain export policy, J. A. Leveridge, regional vice-president of the A.F.L. Grain Processors union, said yesterday.

"In Greater Kansas City alone 1,500 men employed in mills lost from one to two weeks' work in April and 600 men were laid off indefinitely," Leveridge said. "The labor prospect in May is even more dismal. The prediction is that mill workers will receive only one or two weeks' work."

Right now four of Kansas City's eight flour mills are shut down because they cannot obtain grain and a fifth just resumed production this week after being shut down several days."

The national milling picture is only an enlargement of the Greater Kansas City picture, Leveridge said.

"The Northwestern Miller, a trade magazine, quoted American production figures week before last as 48 per cent of what was produced in the same week last year," he said. "Canadian mills, on the other hand, had a production figure of 99.6 per cent for the same period. Canadian mills are not required to make 80 per cent extraction, either. We can't understand it."

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WEATHER AIDS FARM MACHINES-Editorial-The weather, which has been conducive to high farm production all through the war, this year has favored the nation in a manner not often mentioned yet highly important as a time when food is so greatly in demand.

There is a definite shortage of farm machinery. Yet a huge acreage of oats was put in the ground this spring and corn planting is far ahead of schedule; in fact all spring work is well underway. This has been accomplished because fine weather has permitted farmers to work more days than usual in the fields. Thus this spring available machinery has been sufficient to get the planting job done.

There is, however, a greater shortage of harvesting machinery than of planting implements. Should there be fine weather for harvesting the wheat and oats, the available machines will have a greater opportunity to complete the harvest without loss. Rainy weather that would cut the harvest period short would complicate the machinery shortage problem and the food problem of the world.

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From Prairie Farmer, April 27 -

ALL GRAIN IS NEEDED-Editorial-We just read an advertisement in a daily newspaper signed by the United States Brewers Foundation. It says no wheat is being used in beer or ale. Fine. But it also says that wheat alone can solve the problem of feeding the hungry, and thus tries to excuse the use of other grains for beer and ale.

This is misleading and harmful. All grains are of vital importance today. What cannot be consumed directly by humans can be used to keep our hard-hit livestock industry afloat during the shortage.

Every pound of grain that is not needed by humans should be diverted to the livestock industry. We will need this industry in the year ahead for the health and strength of the nation.

A bushel of grain made into beer is a bushel lost to some livestock producer. Breweries and distilleries should be shut down completely.

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From Pennsylvania Farmer, April 27 -

SOMEBODY MUST PAY-Editorial-The idea that wages can advance and somebody somehow can "absorb" the consequent higher costs of things has evidently taken a firm hold of the theorists who think they can control everything everywhere. But in practice this benevolent idea doesn't work, so we face shortages of many things. Farmers know that higher wages of men who make farm machinery, and higher wages for the men who make the steel, the lumber and other things that go into such products, must be paid for by somebody--the users of these things. They know that the higher wages of the coal miners will not be absorbed but must be paid by those who use industry's products, and farmers are among those who use them. Farmers know that the higher wages of railroad employees will not be absorbed by the carriers. They must have higher freight rates, and all farm products shipped by rail must cost producers more to market. It is not necessary to mention all such examples here, but the same applies to practically everything farmers must buy. At the same time farmers see the ceilings on the things they must sell stubbornly held below what would be normal price levels under present conditions. And they are not supremely happy about all that.

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From Detroit Free Press, April 26, 1946

OPA VS. CIGARETTES Editorial-Nobody has trouble buying cigarettes. Any brand and any quantity are there for the asking.

Why, then does the OPA maintain a price ceiling on that commodity? As we understand it, the OPA is dedicated to preventing the inequitable distribution, profiteering and inflation inherent in a situation of short supply and heavy demand.

Also as we understand it, the OPA admits the soundness of a doctrine which says that when supply matches demand, the matter of price will be automatically taken care of through the workings of free competition.

If we have heard aright the presence of a ceiling on cigarettes doesn't make sense.

By making headlines with an announced rise of the cigaret ceiling, the OPA put in the spotlight one of the good reasons why Congress prefers to rely on its own judgments instead of the vaporings of OPA spokesmen when it tackles price control legislation.

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From The Times-Picayune, April 30 -

FUTURE OF OPA HELD IN DOUBT BY SENATOR OVERTON-Alexandria, La.-The consensus in Washington is that OPA and price control will have to be abolished or "hobbled," according to Senator John H. Overton.

Visiting his family here after a tour down the Mississippi river with the Mississippi river commission inspection party, the senator answered a question concerning the future of the OPA by saying "OPA is in the hands of the gods."

"No one can predict what will happen to it," he said. "The Senate may restrict its activities even more than the House did, or may abolish it entirely.

He cited instances to show that a tremendous amount of pressure is being applied by both sides. He indicated, however, that he was in favor of some price control and definitely in favor of continuing rent control.

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D14 (The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 7 -

ANDERSON PICTURES WHEAT GOALS MET: CANADAYS DONATE CHECK-Washington-Secretary of Agriculture Clinton P. Anderson said today that he still expected that wheat-export goals for May and June, plus the deficit, would be met, but warned that what the coal strike did to train transportation might hamper the sending of grain to famine areas overseas.

F. H. La Guardia, director general of the United Nations Relief and Rehabilitation Administration, announced today that the interrupted UNRRA Council meeting in Atlantic City in March would be concluded here on Thursday when there would be presented "a report on the gravity of the food supply situation."

Mr. Anderson and Mr. La Guardia exponents of opposing schools of thought on the present seriousness and the future extent of the famine crisis, were together today at a Department of Agriculture press conference where Mr. La Guardia accepted for UNRRA from Mr. and Mrs. Claude Canaday of Bloomfield, Neb., the \$1,030 check they got for selling their corn instead of feeding it to the stock.

The Canadays who paid off their farm only last year, were inspired to this generosity by an address on the famine crisis made early in the famine crisis by Secretary Anderson at Sioux City, Iowa, and the gift to UNRRA was arranged through Mr. Anderson.

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OPA AND ANDERSON AT ODDS ON BUTTER-Washington-Intra Administration differences over price control policies were emphasized to such an extent when Chester Bowles, Stabilization Director, and Secretary Anderson appeared before a House committee today that the chairman, Representative Pace, Democrat, of Georgia, suggested the committee and the disputants take the issue of dairy subsidies directly to the White House.

The proposal was made after Mr. Anderson had criticized and Mr. Bowles had defended the new subsidy program designed to put more butter on the market. They testified before the special Pace committee investigating food shortages.

"There is utter and complete disagreement between the Agriculture Department and the Office of Price Administration in every respect, and this is most unfortunate," Mr. Pace said.

"Do you think everybody is out of step but you?" he asked Mr. Bowles and Price Administrator Baul Porter. Unless some other solution to the dairy problem is found, he said, the dairy products situation will be "frightful" this fall.

Representative Andresen, Republican, of Minnesota, accused Mr. Bowles of having "decided to liquidate the butter industry," but the Stabilization Director replied that if more milk were used for making butter there would have to be less cheese or ice cream.

Secretary Anderson said the recent increase of dairy subsidies was made "without my approval and without my knowledge," but acknowledged that Mr. Bowles had full authority and need not consult him on such matters.

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UKRAINE FAT SHORTAGE CRITICAL; UNRRA AIDE REPORTS IN MOSCOW-Moscow-The UNRRA reports the fats situation particularly grave in the Ukraine, as in most countries where UNRRA supplies are arriving, according to Paul White, deputy chief of the Ukrainian mission, who stopped in Moscow today on his way to the United States. (Turn to page 2 for other items in today's N.Y. Times.)

From The New York Times, May 7 -

HOOVER BIDS SOVIET FREE FOOD SUPPLY-Tokyo-Herbert Hoover, chairman of President Truman's Famine Emergency Committee, declared today that the world food situation would be greatly helped if Russia would release to China and Korea "part of the foodstuffs which it has secured in Manchuria."

The former President held a press conference after conferences with Gen. MacArthur and headquarters experts on economy and supply and the food needs of Japan. He said:

"Japan must have food imports. Without them all Japan will be rationed little better than that which the Germans gave the inmates of Buchenwald and Belsen concentration camps. It is impossible to conceive that the American flag will fly where such conditions exist."

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ARMY PURCHASES DANISH FOOD-Copenhagen-United States forces in Germany have purchased Danish agricultural products worth \$4,000,000 to be delivered before Dec. 15. The purchases include milk, 6,128,000 pounds of butter and 3,000,000 pounds of cheese.

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YUGOSLAVS IN DARK ON FREE UNRRA AID-Spalato-Some 3,000,000 persons in the devastated regions of western Yugoslavia behind this Delmation coastal port owe their escape from starvation to the free contributions of the Americans and the British through the United Nations Relief and Rehabilitation Administration, but they are ignorant of that fact. A group of correspondents and public relations representatives of the UNRRA touring the region discovered that in general the populace seems to have no idea to whom their salvation this last winter is due.

Five hundred thousand tons of grain, 115,000 tons of quartermaster food and thousands of tons of other foodstuffs have been poured into the western Yugoslav area as a whole. This is sold by the Government emergency board. The Government gives money or grants credit to those who cannot pay.

Conversations in the villages and towns proved that the people themselves do not know that the food is provided free by the nations overseas.

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From The New York Times, May 7 -

ANDERSON CALLS SOVIET PLANS ON FOOD A MYSTERY-Washington-Clinton P. Anderson Secretary of Agriculture, made it clear today that Soviet plans for joining or ignoring Anglo-American attempts to pool international food supplies to ease the world-wide famine are a mystery to British and United States officials.

The Secretary said the three power Combined Food Board has never been advised of Soviet grain or fat reserves, despite repeated requests from the board--through the American, British and Canadian governments--that some information on Soviet food reserves and export plans be made available.

"There are certain things about their policy we simply cannot unstand," he said.

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From the New York Wall Street Journal, May 7 -

MILLS LOOK TO TEXAS FOR FIRST WINTER WHEAT, Minneapolis - Flour millers, facing one of the most serious wheat shortages in history, have their eyes fixed on Texas for the first relief--through wheat harvesting.

The early harvest of winter wheat won't solve a flour--and bread--situation which is expected to get worse in June and to continue bad through August. But it will help.

The first wheat will be harvested in Texas, probably beginning late this month. The harvest will move up into Oklahoma and Kansas in June.

Representatives from the Government flour mills and feed manufacturers from all over the country will be there trying to get wheat, another flour man forecasts. "There will be 25 buyers for every car of wheat," he adds.

By that time, another miller says, many people will be willing to pay as much as \$3 a bushel (the ceiling price is \$1.87½, Ft. Worth basis) for the wheat in small quantities. If black market wheat does go to such a price, it will be the highest level since 1919 and 1920 when the grain sold at \$3.50.

Almost everyone will be out of wheat when the new crop begins moving in Texas. Production in that state is now expected to total about 50 million bushels but over half of it, including that from the Panhandle section, will not be harvested until June or July.

Oklahoma is expected to provide about 50 million bushels, with 20 or 25 million bushels being harvested in June and the balance in July. Kansas, biggest wheat producing state in the country, will produce a little wheat in June but the bulk of it will not be harvested until July. Its crop is now forecast at about 190 million bushels.

All three states have suffered a modest setback in their winter wheat crop outlook in the past month or so. Too-dry weather has caused forecasters to reduce their estimates. The projected total of about 290 million bushels from the three states compared with an April 1 estimate by the Government crop experts of 343 million bushels.

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FLOUR-SHORT BAKER TRIES MAKING HALF-A-LOAF BREAD, Evanston, Ill. - To stretch their flour supply, the Bon Ton Woods Bakeries here hope to begin selling half loaves of bread within a few days.

Bon Ton, which operates several retail bakeries in this suburb of Chicago, already has experimented with the small loaves. Two pieces of dough, greased where they meet, are placed in an ordinary one-pound baking pan. When baked the half-pound loaves are sliced and hand wrapped.

This expedient wouldn't work in large bakeries because wrapping machines will not handle the small loaves and suitable pans aren't available, but the practice should prove helpful for smaller retailers.

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CREAMERIES OF AMERICA - Rumors that eastern people are buying into Creameries of America, Inc., traded on the Los Angeles Stock Exchange, are "denied absolutely" by G. S. McKenzie, president. It is understood that these rumors arose from the purchases by individual easterners of stock for their own account. The company, which had a 1945 gross of \$29.6 million, more than double its pre-war volume, is making a bid for year-round earnings stability. Summer normally is the period of peak volume, the result of ice cream sales. Now through recently enlarged frozen foods divisions in its five main plants, the company believes it will be able to bolster winter sales.
(Turn to page 4 for other items from today's N. Y. Wall Street Journal.)

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From the New York Wall Street Journal, May 7 (Cont.) -

REPORTS ARE OPTIMISTIC ON FOREIGN WHEAT CROPS-Reports continue to be optimistic regarding the wheat crop over a considerable part of Europe, particularly France, Spain, and several northern areas. In addition, North African grain crops apparently have matured without serious losses.

Private estimates, according to Broomhall, of the prospective French wheat harvest are comparable to the pre-war average which, if realized, would make that country practically self sufficient during the 1946-47 season. There seems a good possibility that Spain will grow enough wheat for her own needs, with North Africa realizing some surplus. The present Spanish wheat crop is being compared with the pre-revolution harvest, when production reached a peak of 170 million bushels. Last year's Spanish wheat crop totaled only about 82 million bushels.

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From The Journal of Commerce, May 7 -

COTTON PRICES OFF ON COAL SHORTAGE-A slackening of demand, notwithstanding the scarcity of contracts, forced prices down in a fluctuating session on the New York Cotton Exchange yesterday. The closing range was off 3 to 20 points. In nearby positions, losses ran as much as \$1.30 a bale during the session.

Observers analyzed the lack of support as mainly the absence of mill orders in effective strength. Mills were reportedly hesitant to enter the market while faced with a prospective coal shortage. A White House report stated that 50 percent of the cotton mills in the country will be completely shut down within a short time and that a 25 percent cut in production will be necessary in a few days to stretch the dwindling fuel supply on hand.

Other factors causing market thinness were the confusion resulting from Congressional activity on OPA extension and the absence of investor capital in the cotton market as a result of high margins. At Senate hearings, Administration officials testified that price controls must be extended immediately to maintain present levels of distribution or better.

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GRAIN PROCESSING UNION VOTES WALKOUT-Many mills had insufficient wheat on hand to cover previous bookings and with little or no possibility of acquiring additional wheat it was expected that there will be an entire withdrawal of selling shortly.

Some closings were anticipated by the end of this week and during the following week these will become very numerous due to exhaustion of wheat supplies or of May delivery quotas to the domestic trade.

The Grain Processing Workers Union voted on Saturday for a nationwide strike by mill operators and grain processing workers by May 21 unless an agreement can be reached with the Government in the meantime. This action was taken in protest against the Government's purchase program which has been forcing lay-offs and loss of time for many workers in the milling industry. However, by the time the strike will become effective most mills will have shut down.

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WHEAT . AGAIN LEADS DECLINE IN VISIBLE GRAINS-Chicago-Visible supply of wheat decreased 2,381,000 bushels to 15,289,000 bushels this week, the Board of Trade reported today.

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From The New York Times, May 5 -

NATION SEEKS GUIDANCE IN GREAT FOOD CRISIS (Correspondents were asked to report on the attitude of four sections of the country toward food conservation and on the steps taken to meet the world food problem. The reports, which follow, indicate that the people of the country are looking toward Washington for leadership and direction in the food crisis.)

BOSTON DRIVE NEEDS UNITY-Boston-Tremendous effort is being put into food production and conservation and the collection of foodstuffs for Europe in the Greater Boston area.

The drive, however, is being made largely on an individual basis. Various civic, social, religious and fraternal groups are engaged in the over-all food drive, but there is no central agency directing the program or coordinating the work of the groups to assure maximum production, conservation and collections.

The Commonwealth of Massachusetts, through a State committee on food production and conservation, is carrying on an extensive but essentially educational program. This reaches out to county farm agents and Mayors and Executive Officers of cities and towns as well as into schools and churches.

The Victory garden program of the war years has become the famine garden program of 1946. Governor Tobin is actively promoting the program, which concerns itself with production and conservation and does not touch collections for Europe.

Hotels, restaurants and eating places appear to be cooperating in the drive.

CHICAGO IS READY TO HELP-Chicago-Chicagoans are in the frame of mind to cooperate to the limit in a program to conserve food in the interest of relieving famine abroad, but pending announcement of a specific program and establishment of local leadership their willingness has produced no perceptible results.

Both vigorous leadership and well-defined objectives for a food campaign are in prospect for the middle of next week, however. A Chicago Famine Committee was being formed this week, with an appointment with Mayor Edward J. Kelly scheduled before the week's end, under the chairmanship of Sheldon Clark, president of the Sinclair Refining Company.

According to William Harrison Fetridge, vice chairman of the group, "all contacts we have made have indicated a tremendous willingness of leaders to cooperate and have shown their realization of the desperateness of the situation."

The food industry, hotel men and restaurateurs are complying thoroughly with applicable parts of the program of the national famine committee.

DEEP SOUTH MAKES START-New Orleans-There has been more food conversation than food conservation in the Deep South this spring. Interest in saving food at home to help save lives in other countries is still no better than lukewarm, but it appears to be gaining. Most of the enthusiasm seems to be restricted to community leaders, who are slowly getting under way a program to gain the support of the rank-and-file citizens.

Barring butter and beef, food products generally have been in good supply in Southern markets. The first time many Southerners gave a second thought to the postwar food situation was when grits disappeared from grocers' shelves a few weeks ago. That staple, called hominy grits in other sections, long has been regarded an essential in Southern kitchens. When rice, produced in quantity in this area, also became scarce, more housewives started to take notice.

Efforts by community leaders to encourage a widespread return to wartime practices of conserving food are only a few weeks old.

Biggest impetus given the New Orleans campaign came last Wednesday when the volunteer department of the Red Cross signed up to help. The Red Cross volunteers will distribute blank pledges to be signed by housewives, committing

(continued on page 6)

themselves to support the National Famine Emergency Program.

Neighboring Mississippi counties seem to be taking the program very seriously. Farmers of Pearl River County, just north of the Louisiana-Mississippi line, have pledged 100 head of cattle to be sent abroad for starving peoples. Their pledge was in response to an appeal by Governor Thomas L. Bailey.

Governor Bailey is asking Mississippians to contribute a shipload of live-stock.

FAR WEST IRKED BY DELAY-San Francisco-West Coast residents, especially in some areas, were showing impatience this week at official delay in getting a food collection drive underway in response to appeals on behalf of foreign nations, and unofficial campaigns were started in this region to provide a preliminary "shot in the arm."

All work being done on the drive so far was on a voluntary basis and there was a noticeable lack of large-scale operations, despite the interest aroused among some northern California farmers and among school children and church groups in this area and a few other sections.

Coast officialdom as a whole was waiting, frankly, for some guiding word from Washington as to what was expected. There was considerable confusion here as to the status of the drive.

John G. Brucato, chairman of the advisory board, said thirty to forty civic and labor groups were engaged in the collection, along with a number of schools. Some women's organizations are canvassing from door to door and have taken over empty stores in which to keep the donations temporarily.

The California Reconstruction and Re-Employment Commission announced that it was taking the leadership of a State-wide food saving program as this State's part in the national effort to relieve starvation conditions abroad.

In response to an appeal early this week by Governor Earl Warren, A. Earl Washburn, director of the commission, said he was reactivating the California State Food and Nutrition Committee, which conducted a similar program during the war period.

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STOCKYARDS DROP CUTS MEAT SUPPLY-Chicago-Outlook for any increase in the supply of beef became dimmer this week as cattle receipts at the union stockyards dropped to one of the lowest points since the depression years of the early '30's.

Market observers attributed the decline to these factors:

1. Farmers and ranchers holding back beef animals in hope that the OPA "ceilings" on meat would be removed, resulting in higher prices.
2. Weaker prices since Eastern buyers withdrew from the market two weeks ago when the OPA's price enforcement officers began to watch the wholesale trade in New York.
3. Fewer cattle "on feed" than a year ago, and too early in the season for an appreciable "run" of grass cattle.
4. Heavy country buying, and holding, by speculators.

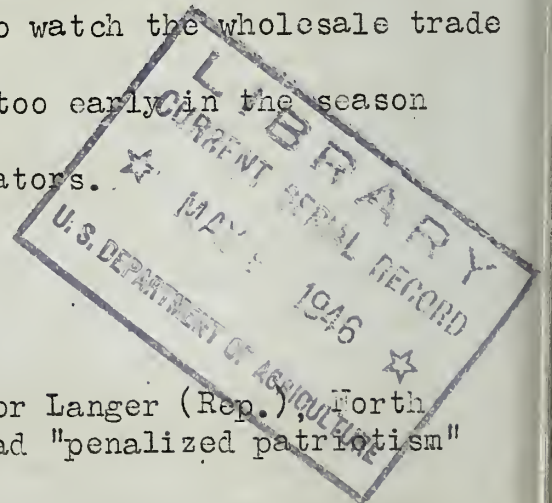
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From St. Louis Post-Dispatch, May 2 -

PROTEST AGAINST WHEAT PLAN-Washington-(AP)-Senator Langer (Rep.), North Dakota, told the Senate Tuesday that the Government had "penalized patriotism" by its wheat acquisition policies.

He read to his colleagues letters from constituents protesting that they had sold their wheat early in the year when the Government appealed for it for relief shipments. Now the Government is paying 30 cents a bushel bonus for additional wheat.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 8 -

ACHESON ASSAILS THREE FIFTHS LAG IN MAY FOOD RELIEF-Washington-Dean Acheson Acting Secretary of State, said today that the United States fell 150,000 tons short on its relief exports of wheat and flour in the first week of May, and Secretary of Agriculture Anderson expressed belief that it would be "extremely difficult" to meet goals set for the next two months.

These statements were made as the Combined Food Board gave to the United Nations Relief and Rehabilitation Administration a 491,000 ton bread grains allocation for May. This compared with a 700,000 ton request by F. H. La Guardia UNRRA Director General, but he described it as "realistic."

Mr. Acheson, who has demanded requisitioning of wheat for famine relief purposes, told his press conference that "we are not doing so well." He announced that, while aiming at 250,000 tons a week, we had sent abroad in the first week of May 25,000 tons of wheat and an estimated 75,000 tons of flour."

The deficit, he added, would have made 330,000,000 loaves of bread, enough to supply the minimum weekly ration for 71,500,000 persons in Europe.

It became known tonight that Administration officials had worked out a plan to increase substantially the ceiling prices of all grains, primarily to stimulate shipments for famine relief, but dairy farmers on the East and West Coast who are meeting reverses as a result of feed shortages are expected to benefit also.

Under the plan the price of corn would be increased 25 cents a bushel and wheat 15 cents. Increases of about 15 cents would also be applied to grain sorghums, oats and barley.

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U.S. CONSERVATION BENEFITS GERMANS-Stuttgart-Bread rations need not be reduced for the time being in the American zone as a result of the conservation and export measures taken by the United States, Lieut. Gen. Lucius D. Clay, deputy military governor, told the Minister Presidents of the zone's three states today.

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VINSON, WYATT ASK YEAR MORE OF OPA-Washington-Secretary Vinson predicted "want and despair" and Wilson Wyatt, National housing expediter, foresaw failure of the veterans' emergency housing program today as alternatives to a year's extension of price control freed of the amendments that would interfere with its effective administration.

Mr. Vinson, to whom President Truman has referred as the Cabinet officer he relies on most, told the Senate Banking and Currency Committee that "the temptation to relax and let down our guard" against inflation must be insisted.

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BRITAIN TO RAISE CANDY RATION-London-Sir Ben Smith, Minister of Food, announced today that the candy ration in Great Britain would be increased by two ounces, or from twelve to fourteen ounces, every four weeks beginning June 23. This windfall was made possible through the official decision to decrease the allocation of sugar for cakes, confectioneries and beer by 25 percent. This change also is effective as of June 23.

(Turn to page 2 for other items in today's N.Y. Times.) - - - -

From The New York Times, May 8 -

VASSAR AIDS FOOD DRIVE-Poughkeepsie-Albert Mayer, a former service man in the China-Burma India theatre, speaking as a member of "Citizens in Action," urged Vassar College students today to exert themselves as individuals and as a college group to prevent starvation overseas.

His address opened a week's campaign on the campus, which in cooperation with the national emergency food collection, will raise money for UNRRA to buy canned food for shipment abroad.

To coordinate relief efforts at Vassar a faculty-student committee has been appointed.

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HUNGER WILL NOT WAIT-Editorial-This nation is not doing what it could do and should do to fight the worst famine in modern history. Yesterday Acting Secretary of State Acheson revealed that during the first week of May we were 150,000 tons behind in our wheat exports—enough, he said, to provide a week's bread rations for 71,500,000 persons. What will those persons have during the coming weeks? Let us ask ourselves that question. We set up a grandiose export schedule of a million tons of wheat a month during the first half of 1946. We did not meet it. It was whittled down by half. We are still not meeting it. We had a schedule for fats. During the last week of April we shipped 2,440 tons out of a promised 12,000.

The Government did take measures. It cut flour production for domestic use by 25 percent, it cut the domestic use of wheat for human food by the same amount, it limited millers' and food manufacturers' inventories, it offered a bonus for wheat and corn still in farmers' hands, it went into the market for oats and oatmeal for relief shipments, it advocated two "starvation days" a week, it urged President's Emergency Famine Committee, to cut wheat consumption by 40 percent.

But nothing yet done has been enough.

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COTTON PRICES UP BY 11 TO 25 POINTS-The cotton futures market on the New York Cotton Exchange yesterday was moderately active and closed at about the best levels of the day, 11 to 25 points net higher than on Monday.

Initial prices were unchanged to 6 points net down, and liquidation brought losses of 4 to 9 points on active months. Indications of an early settlement of the coal strike and a strong stock market brought in buying later and prices rose in the late trading.

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U.S. TO EMPLOY 54,000 MEXICAN FARM WORKERS-Mexico City-In keeping with an agreement recently reached between Mexico and the United States, 54,000 Mexican agricultural workers will be employed in the Middle Western and Western States in the United States for six months. Four thousand workers left Mexico in April and 16,000 more are scheduled to join them this month and 13,000 in June. Another group of 22,000 workers who were already in the United States were confirmed on their jobs when their previous contracts expired.

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From the New York Journal of Commerce, May 8 -

DEMAND TO EXCEED 1946 FOOD OUTPUT, Washington - Civilian demand for farm products throughout the rest of the year will continue to outstrip supplies in many categories at current ceiling price levels, the Bureau of Agricultural Economics estimated today.

Meat, dairy products, fats and oils head the list of commodities which will continue tight.

Meanwhile, in another Department of Agriculture report, it was revealed that during the first week of operation under reinstated slaughter controls, meat production in federally inspected plants increased 12 per cent.

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BEATRICE CO. LAYS EXPANSION PLANS - Beatrice Creamery Co. will spend \$2,500,000 this year to modernize and expand some of its plants if the necessary materials and equipment are available, C. H. Haskell, president, disclosed in the annual report released yesterday.

Of this total, \$1,500,000 has been earmarked from working capital and the balance will be produced from current funds in the future.....

Net sales for the fiscal year ended Feb. 28 increased 13.4 per cent over the previous fiscal period rising \$125,110,336 from \$110,325,031. According to Mr. Haskell all major departments contributed to this increase, except the butter department, in which sales decreased for the third consecutive year.

Pointing out that the company's policy of diversification was continued during the past year, Mr. Haskell reported that sales of products other than dairy and poultry products reached a total of \$17,027,845, which is an increase of 27.3 per cent over corresponding sales of these products for the previous year and represents 23.1 per cent of total sales.

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GRAIN MARKET FLOODED WITH PRICE RUMORS - Chicago May rye, after fluctuating nervously during most of the session, was subjected to increased realizing sales during the closing minutes which uncovered stop-loss orders with the resulting decline carrying the 5c limit.

The market was flooded with rumors regarding probable advances in ceiling prices for wheat, corn and oats; of extension of the Government purchase program to include lower grades of corn, and that oats may also obtain a bonus.

With this background and the persistent strength in cash markets there was no incentive to sell these grains and ceiling prices prevailed generally at the close with the exception on unrestricted May rye.

Slight fluctuations occurred in oats but final quotations were bid at the maximum.

Traders were closely watching weather and crop news and were awaiting the Government estimate on winter wheat production, due after the close Friday, which was expected to show some reduction from the April 1 forecast.

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DAIRY TRADE FEARS AGENCIES' DISCORD - Butter, cheese and general dairy industry circles have been forced into further discouragement by latest developments in Washington which indicate sharp discord between OES Chester Bowles and USDA Clinton Anderson as to governmental dairy products pricing and pricing policies. Many are losing hope that any effective moves better to equalize butterfat prices, and to stave off severe shrink in the milk flow, can actually be expected. New York butter market supplies continue drastically short, with many legitimate channels having even less goods to work on.

From the New York Journal of Commerce, May 8 (Cont.) -

NEW COTTON CROP NEWS GOOD, New Orleans - Urgent inquiries for spot cotton covered a rather wide variety of grades during the week in the south central belt. Actual turnover improved only slightly due to continued tightness of offerings.

Highlights of the week was the announcement that the CCC would ship 154,000 bales of American cotton to Germany within the next eight months on similar terms under which shipments of low grade cotton were being made to Japan.

Another item was that if the British loan is completed, India will be in the market immediately for 100,000 bales of American long staple cotton.

Generally private crop advices were of a favorable character. Moderate temperatures of the past winter were expected to bring heavy survival of weevil and other pests.

General rains after midweek in the eastern belt and in west and southwest Texas helped early seeded cotton. More rain over the week-end was forecast for dry west Texas.

Reports as to labor and new farm equipment availability were hardly changed and indicated further shortages over wide areas. Seed, although scarce, was said to be sufficient providing not too much replanting was necessary.

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From the New York Wall Street Journal, May 8 -

CORN PRICE BOOST EXPECTED, Washington - An increase in the ceiling price of corn is expected to be announced shortly. It is understood that the increase will be 20 cents per bushel. While this is less than the premium of 30 cents per bushel which the Government is now paying on 50 million bushels of corn it is buying for foreign shipment, the price ceiling increase is expected to continue in effect indefinitely.

Because most winter grain crops are two weeks or more ahead of schedule it is expected that the Government will announce new ceiling prices on all important grains within the next week.

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MILLFEEDS CEILING - Department of Agriculture officials, according to feed circles, have for some time been considering an increase in the ceiling prices on millfeeds.

The purpose of the increase would be to combat black market operations and correct a dislocation of over-all supplies.

The ceiling price for millfeeds in the New York market is about \$45 a ton and compares with maximum price of \$57 a ton for soybean meal and \$49 a ton for linseed meal. The ceiling price for ground oats in the local market is about \$70 a ton, with the cottonseed meal maximum price \$59 a ton.

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COTTON EXCHANGE SEAT SALE - Arrangements have been made for sale of a New York Cotton Exchange membership of \$9,500 off \$100 from the previous sale.

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From St. Paul Sunday Pioneer Press, May 5 -

'SAVE A SLICE A MEAL' URGED AS N.W. MERCY FOOD SLOGAN-"Save a slice a meal" was suggested Saturday night as a slogan for food conservation campaigns that are coming in the Twin Cities and throughout Minnesota.

Such savings of bread in the Twin Cities area alone could conserve enough wheat and flour to tide 30,000 persons of the famine areas over the worst hunger period of the next two months.

If carried out widely, saving a slice of bread each meal would ease greatly the drain on wheat and flour supplies, that would quickly be reflected in smaller flow of cereals to homes and eating places and make available very substantial supplies of cereals for export. For it is consumption by a host of individuals that regulates the domestic use of cereals, and a decline in that use expands the amount that is left for export, government officials point out.

Saving a slice per meal, if done on the average by the one million people in the entire metropolitan area around, the Twin Cities, would mean saving three million slices a day. That would total 90 million slices in a month or 180 million slices saved in two months.

At 20 slices to the loaf, that would mean a saving of nine million loaves, and at 80 loaves to the bushel it would amount to saving 112,500 bushels of wheat, about enough to make a train load or fill a fair-sized ship.

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ALL MERCY WHEAT WILL BE HAULED, RAILS PLEDGE-In spite of the coal strike, all of the "mercy wheat" that this country wants to ship to famine regions overseas will be efficiently and promptly hauled to port, spokesmen for the nation's railroads asserted Saturday.

"In the Northwest, we expect to move every bushel that is offered," said W. L. Harvey, district manger of the Association of American Railroads.

Because of the necessity to conserve coal, the railroads will not be able to answer instantly every appeal for empty cars with special deliveries, Mr. Harvey said, but will move cars in the regular way without undue delay.

Reports of "plugged" elevators at some points in South Dakota are attributed to absence of special deliveries of empty cars that had been requested at those points.

D. T. Bagnell, general superintendent of the Milwaukee railroad, said in Minneapolis that grain is moving regularly to terminals over that road. "So far, we have taken care of all calls for grain car equipment in the regular way without any unusual delays," Superintendent Bagnell said.

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From The Commercial Appeal, May 1 -

MCCORD MAKES PLEA FOR FOOD FOR WORLD-Speaking as a humanitarian and fellow Rotarian, Governor McCord yesterday made the plea that the United States feed "the hungriest world of all time," as a means of helping secure permanent world peace, in a talk before the Memphis Rotary Club at the Peabody.

"We have won the war, but have not secured the peace, and feeding a hungry world is necessary before we can have lasting peace," the Governor pointed out.

"We are living in a period of world restlessness, and a restless world never finds itself engaged in peaceful pursuits. Failure to lend support sooner in America to a plan for feeding the world is one of the reasons for this restlessness."

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From Chicago Daily Tribune, May 6 -

FARMERS ALWAYS EAT-Editorial-The black market isn't the only reason for the current shortage of meat. Without the black market we would still lack meat, because the OPA has driven many of the farmers who produce meat out of business.

Not clear out of business, however. A member of The Tribune's staff took a 400 mile trip recently thru some of the richest corn counties in central Illinois. He saw a few, but only a few, farms with the normal number of fine beef cattle in the pastures and feed lots. What surprised him was the large number of farms on which there were from four to eight beef cattle, and no more. One pasture would hold two or three Angus cows with their calves, and a couple of yearling steers. Down the road half a mile, three or four fat Shorthorns would be clustered about the barnyard water tank with a couple of milk cows and the work horses.

This isn't the way cattle are fattened for market in central Illinois. If a farmer is going to haul feed and keep up fence for cattle, he might as well do it for 25 head, or 50, or whatever number he has pasture and grain for, as for four or five. The work isn't much greater.

The suspicion arose that these cattle weren't destined for city markets, but that instead their owners had decided to raise a little beef for themselves and their neighbors, and let the OPA and the Union Stockyards go hang. A weekly newspaper publisher to whom that suspicion was voiced confirmed it, after talking to some of the farmers concerned. The editor, incidentally, has a side of beef, legitimately purchased a couple of months ago, in the town locker plant. So have most of his neighbors. They take the meat shortage philosophically. It's something they read about in the city papers.

Farmers aren't dopes, even tho the dopes in Washington treat them as if they were.

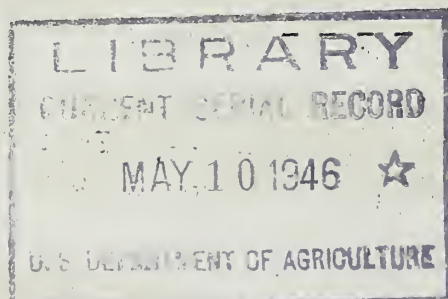
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From The Commercial Appeal, May 6 -

LONG-RANGE PROGRAM STRESSED BY COTTON SHIPPERS-New Orleans-A long-range view of cotton production and consumption was taken by the Committee on Production and Consumption of the American Cotton Shippers Association here this week.

The recently inaugurated seven-point cotton production program of the Department of Agriculture and the Extension Services should be the basis for "a long-time constructive program for agriculture around cotton as the major crop in these areas where maximum efficiency and economy can be developed in its production. Either through intense fertilization to lower costs or through mechanization on an extensive scale," the committee said.

The shippers were told by the same committee that the mechanical harvesting of cotton is an assured fact and that greater emphasis should be placed in research to improve the ginning methods, because the spinning qualities of the machine-picked cottons vary somewhat from the hand-picked varieties. The committee advocated that fiber and spinning tests, such as those pioneered at Stoneville, Miss., be enlarged and speeded.



Farm Digest 985-46-6

(For May 9, 1946)

OFFICE OF INFORMATION

Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 9 -

BRITISH TO MEET TRUMAN ON FOOD: GRAIN CEILINGS INCREASED IN CRISIS-Washington-A conference on steps to meet the world food crisis will be held here, with President Truman and Herbert Morrison, Lord President of the Council of the British Cabinet, participating, the White House announced today. Mr. Morrison, with several advisers, will leave England Friday or Saturday.

In its efforts to cope with the crisis this country announced a price policy governing the marketing of grain under which increases in ceilings become effective May 15 on corn, wheat, oats, barley, rye and grain sorghums. Ceilings on protein feeds will also be increased.

Given out at the White House was a three-nation declaration that the Combined Food Board, which had been scheduled to end on June 30, would continue through December 31.

REPORTS TO BRITAIN GRAVE-London-The British Government, in sending Herbert Morrison to discuss with President Truman further measures to meet the acute world food shortage, is giving emphasis to the serious nature of the latest reports from the British zone of Germany and from India. The discussion will also cover the problems of UNRRA countries generally.

JUMPS GRAIN PRICES AND CATTLE FEEDS-Washington-The Government ordered sharp increases today in price ceilings for grains and livestock feeds in a move to heighten further the incentive to farmers to make their crops available to famine ridden lands throughout the world.

The Department of Agriculture, the Office of Economic Stabilization and the Office of Price Administration authorized an increase of 25 cents a bushel in the ceiling price of corn, 15 cents for wheat, 10 cents for rye, 9 cents for barley, 5 cents for oats, and 18 cents per hundred pounds for grain sorghums.

The increases will become effective at 12:01 a.m. May 13. They will apply to all grain now held by producers and to crops harvested this year.

To bring the price of protein feedstuffs into conformity with the higher grain ceilings, the three agencies also provided for substantial rises in such major livestock feeds, as fish meal, cottonseed meal, meat scrap and similar high protein feeds.

PRICES OF COTTON SHOW MIXED TREND-Cotton exchange started yesterday with overnight losses of 10 to 13 points but closing quotations were 10 points lower to 19 points net higher than on Tuesday. No May notices were issued there, but in New Orleans seven were issued. Certificated stocks established a new high mark for the season at 28,805 bales. New Orleans buying of futures and some outside support led to covering in all months except the old May position, which has been almost liquidated. The advance was attributed largely to the unfavorable weekly weather report of too much rain in the Cotton Belt and predictions of weevil damage to the coming crop by the Department of Agriculture.

(Turn to page 2 for other items in today's N.Y. Times.)

From The New York Times, May 9 -

RYE MOVES DOWN IN A THIN MARKET-Chicago-May rye had a range of 9 5/8 cents a bushel today on the Board of Trade, breaking the 5-cent limit early to \$2.723/8 only to rally to \$2.82 on short covering, and then weakening rapidly to close at the bottom, making the second consecutive day of a limit decline. Brokers said the market was thin at times and small orders caused wide price changes.

Operations in oats were restricted greatly and all deliveries held unchanged at ceiling prices. Wheat, corn, barley, and the new crop deliveries of rye were unchanged. The latter grain closed at \$1.48 1/2, or \$1.24 7/8 under the May future. A ceiling price on old and new rye will go into effect on June 1, and trading in May will cease on May 22.

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INTEREST WANES AT COTTON PARLEY-Washington-As the International Cotton Advisory Committee entered the second day of its meeting here today it became increasingly apparent that few of the delegates from the score of nations represented are interested in proposals for a world agreement on the marketing of cotton.

The United States has been a proponent of such an agreement for some time, and there was hope that the subject would be thoroughly discussed at the current session. These hopes faded rapidly, however, as the various delegations, reporting on their cotton positions, either made no mention of an agreement, spoke vaguely of the subject or indicated that their governments were not interested at present.

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FARM PRICE PARITY-Editorial-Farm prices have reached new high levels since V-J Day. The Department of Agriculture reports that on April 15 the general level of farm prices was 212 per cent of the 1910-1914 average. Farm prices recorded the largest increase for any group during the war period. The result has been substantially higher food prices and the use of large-scale subsidies to hold down living costs. Higher farm prices have reflected actions by Congress to accomplish that goal. Thus OPA was prohibited from fixing farm prices until they rose to parity. At the same time Congress authorized high support levels and high loan values for these products. Despite these price rises, leaders of the farm bloc in Congress have been insisting upon a revision in farm-price policy to permit a further rise of about 30 percent.

It seems clear that in the automatic nature of the farm price parity formula farmers have adequate protection from costs rise. There is therefore no justification for revising the parity price formula to raise their prices further. On the contrary, the present conditions of large-scale demand for agricultural products would seem to furnish an excellent opportunity to abandon the parity price formula, which is based upon relationships in effect some thirty-five years ago.

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14 MEAT DEALERS FACE COURT IN DRIVE-With the filing yesterday of War Emergency Courtcases against fourteen wholesale meat companies and thirty individuals, involving the greatest number of cash-on-the-side complaints ever lodged at one time, the Office of Price Administration asserted that the Government was at last "on top" of the meat black market.

Callman Gottesman, chief enforcement attorney of the district OPA, said that the price violators were "running for cover" at every level of the industry as a result of recent moves by the OPA, other Federal agencies and various municipal departments.

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From the New York Wall Street Journal, May 9 -

THE FLOUR SHORTAGE will wallop the public in weeks immediately ahead. Big bakers, getting practically no flour deliveries recently, have been operating from their inventories. Men in the business estimate that most bakers now average about a 12-days' supply of flour.

Restaurants and other food venders operating on a seasonal basis will be especially hard-hit. These include resorts, summer "roadstands," vacation playgrounds. Some bakers, unable to supply year-around customers, will drop this business altogether.

Flour-stretching devices now being planned by the baking industry include thinner bread slices, elimination of specialty items, and end of over-size loaves. Some who want to bake half-loaves, can't get the needed half-size bread pans. Bakers, generally, fear that restrictions on flour grinding may continue longer than has been expected—possibly into 1947.

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ITALIAN WHEAT CROP THIS YEAR ESTIMATED ABOVE 1945 HARVEST - The 1946 wheat crop in Italy is semi-officially estimated at 220.8 million bushels compared with 155 million harvested in 1945 and 238 million in 1944. The 1933-39 average wheat crop totaled 275 million bushels. Acreage for the 1946 crop is placed at 11,362,000. There are no acreage figures available for the 1945-44 crops, but the pre-war average was 12.5 million acres.

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LACK OF WHEAT LIMITS FLOUR MILL OPERATIONS- Kansas City.- While most idle mills resumed operations as May 1 brought them a new 75% domestic quota to work on, sales of flour continued on a limited scale because of insufficient wheat to fill commitments already booked. The Northwestern Miller reported many mills have reached a position where they will have to cancel some contracts which they will be unable to fill by the end of June, when the subsidy expires.

In the Southwest, where the new crop is early, it is doubtful if any important amount of flour will be milled from the new crop in time to get the product to users in June. It is becoming more evident that bread will be scarce everywhere by the end of May. Already many stores are sold out early in the day as a result of production cuts made by bakers. In many cases the cuts amount to 40% of previous output, the Northwestern Miller states.

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FERTILIZER COMPANIES - Fertilizer consumption for 1946 will be as large and perhaps larger than 1945, when a record of 13 million tons was reached. Consumption during the five years 1935 to 1939 averaged 7,350,000 tons. The demand for fertilizer in 1945 exceeded supply and, with a sharp increase in import requirements this year, it is doubtful if supplies will be sufficient, particularly if the coal strike is prolonged. Generally, however, indications are that there will be sufficient raw materials to produce commercial plant food amounting at least to the 1945 total. Large imports of nitrate are arriving from Chile, while Canada is providing a large tonnage of cyanamide, ammonium nitrate and ammonium phosphate. Values for farm products and the average price for all commodities are now considerably higher than they were in 1929, but fertilizer prices are lower than 1929. The industry expects some price adjustments.

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From the New York Journal of Commerce, May 9 -

WHEAT OUTLOOK IMPROVES IN EUROPE - Maintenance of present wheat crop conditions in Europe and North Africa should bring about a sharp reduction in import needs during the 1946-47 crop season and eliminate the necessity for extending emergency measures here beyond mid-summer, it is believed by many well-informed grain men here and abroad.

An improved harvest would not eliminate the need for large scale imports, as even during normal years Europe is a substantial importer. It, however, would materially lessen requirements which have been at an all-time peak during recent months, at least until early 1947 at which time Argentina and Australia should be able to regain much of their former status in the world export market.

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DODD, AGRICULTURE DEPARTMENT AID, SAYS RAILROADS ARE IN SOUND POSITION, Washington - The Department of Agriculture lashed out today at the higher freight rates on farm products proposed in the railroads' petition for a 25 per cent general rate increase, urging the Interstate Commerce Commission not to take hasty action on the "hit-and-miss" proposal of the carriers.

N. E. Dodd, the Undersecretary of Agriculture, told the commission the burden of transportation costs on agricultural products is already heavy "and if an additional 25 percent is added to this burden it will stifle some of our present and prospective trade." He cited the foreign relief feeding program as compelling reason why a 25 per cent rate increase should not be granted. He said the rate increase would impair the effectiveness of Government subsidies on food production.

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JAPAN FERTILIZER NEEDS TRIPLED - Japanese production of fixed nitrogen for fertilizers may have to be expanded from three to four times beyond pre-war capacity to make the country reasonably self-sufficient in food production, Martin T. Bennett, Washington consulting engineer, reports.

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COTTON GOODS EXPORTS NECESSARY - Continued large scale cotton goods exports are needed to avoid the evils of domestic overproduction William C. Planz, retiring president, stressed yesterday before the annual meeting of the Textile Export Association. Mr. Planz outlined the proposed policy towards Japan and saw possibilities of checking the ruinous competition of the prewar period in any regeneration of Japanese textile production.

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OKLAHOMA SHIFTING ACREAGE TO COTTON - Oklahoma City - An increase in cotton acreage in the western area of Oklahoma was reported as planting became general.

A number of wheat fields, abandoned because of infestation were being sown in cotton. Recent rain prepared the fields for the new crop.

Cotton seed on hand will take care of present needs. However, if re-planting should become necessary a deficiency may arise.

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From The Boston Herald, May 6 -

CRITICAL N. E. FEED SHORTAGE IS SEEN-Fall River-Lester W. Macomber, president of the Swansea Poultry Producers Association, whose membership includes poultry raisers throughout New England, declared today that poultry producers were about to face the most critical feed shortage in history because farmers in the grain belt of midwest are reaping greater profits by "inequitable price relations" through feeding grain to livestock rather than selling it as grain.

Macomber charged the government with operating on the border line of "black market" in its grain dealings.

"The government itself," he said, "unable to secure wheat and corn, has entered the market with special inducements. In the case of the 50,000,000 bushels of corn, the 30-cents per bushel bonus being offered has all the smell of black market dealing--this in the face of government's own OPA. The grocer is fined \$50 for a one-cent overcharge, but the government can overcharge \$15,000,000."

"New England is not getting its 80 per cent of normal feed quota set by the U. S. Department of Agriculture," he said, "and there is no scratch feed because there is no corn in this area."

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From The Kansas City Star, May 5 -

THE FOOD HAS BEEN PRODUCED-Editorial-Millions of people in the United States, now faced for the first time with an acute shortage of such a staple food as bread, frankly must be puzzled over the situation. It is the most natural thing in the world to wonder if anyone is at fault. How could this great demand for food, which apparently can't be met in full, suddenly fall upon America? Why wasn't something done to prevent it? Did the government underestimate the needs in Europe?

These questions can be argued back and forth with mistakes shown here and errors in judgment shown there. But one fact remains clear. It is that food production proceeded at a tremendous rate in America during the war, including the last year. Taking into consideration the lack of machinery, the men away at war and those occupied in other tasks, farms produced at what must be a near maximum for this country.

As technological and mechanical progress continues in agriculture, farm production may go forward to higher levels. But the production in the war years exceeded anything previously experienced.

Thus the amount of food produced is as large as could possibly be expected despite any so-called mistakes that may have been made by the government administrators. Farmers, as they always have done when there was opportunity for a profit, have produced to the limit. A large share of the big farm income during the war years has come from volume as well as good prices. And much credit for the volume--the big crops--goes to the favorable weather.

The food shortage is here, then, because there just isn't enough to give people in America all they want and feed the starving peoples in Europe, too, despite our large crops.

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From Hatchery Tribune, May, 1946

FACTS AND FORECASTS-The Black Market in grains was the government's target in offering to pay farmers a bonus of 30 cents for wheat and corn. But such is the domestic demand that we would guess the black market will continue to outbid the government. "Sticky" grains are hard to move many miles from the farm.

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From The Farmer, St. Paul, Minn., May 4 -

FARMERS AID RAILROADS—There is, as you may know, a federal suit pending against certain railroads for alleged violation of the anti-trust laws. The basis of the suit, as claimed by the Department of Justice, is that these railroads have gotten together to fix rates and services. As a matter of fact, they have done these things, but only after application to and approval by the Interstate Commerce Commission (indeed in some cases upon order of the Commission). Thus, they are being prosecuted by one arm of the government for what has been permitted—even ordered—by another branch of the government.

The Department of Justice objects to the system, long prevailing among railroads, of fixing through rates and agreeing upon service. Take, for instance, shipment of a carload of wheat originating in Montana and destined for some point in the New England States. Because that car might have to move over five or six different railroads, it seems no more than good sense to permit the railroads, subject to Interstate Commerce Commission's approval, to set up a through rate and agree upon service to apply from point of shipment to destination. Any other system would cause chaos and delay—to say nothing of the probability of higher shipping costs.

Well, so much for that. The point of interest to us is that farm organizations are passing resolutions urging Congress to pass the Bulwinkle bill which would have the effect of relieving railroads of responsibility for possible law violation in such cases when their rates and service arrangements are duly approved by the Interstate Commerce Commission. To us this makes good sense. Farmers have a stake in the deal because many of their products move to distant points over several roads, and thus they are supporting favorable action in the proposed legislation.

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From St. Louis Post-Dispatch, May 5 -

DRIVE TO BREAK LUMBER BLACK MARKET BEGUN—A concentrated campaign to wipe out the rapidly growing lumber black market here was announced yesterday by the local office of the Office of Price Administration. Twenty-five cases of suspected violation of OPA lumber codes have been uncovered here recently, the office said.

Durward S. Brown, chief of the industrial material unit of the enforcement division of the local office, said seven investigators, including four new ones, have been assigned to the job, part of a national drive. In cases where violations are established, evidence will be turned over to the United States Attorney's office for prosecution.

Pointing out that, in his opinion, some so-called reputable dealers and contractors are engaging in the black market, Brown emphasized the difficulty of running down black market operators because of the ease with which they can cover up their activities.

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From Science News Letter for May 4 -

PENICILLIN CURES DAIRY CATTLE DISEASE—Penicillin has more curative power than any other tested drug for common mastitis, the most prevalent disease among dairy cattle.

Used in three large doses of 50,000 units each, at 24-hour intervals, penicillin cured 92% in University of Wisconsin tests. Single large doses cured about half the cases, and more where the infection was not serious or of long standing.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 10 -

BETTER FOOD PLAN SOUGHT BY UNRRA-Washington-The Council of the United Nations Relief and Rehabilitation Administration adopted a resolution today calling upon food supplying nations to improve at once the international food allocating machinery and urging the allocating authorities to seek "a fair and equitable distribution of supplies according to need."

Introduced by United States Representative C. Tyler Wood of the State Department, this resolution recognized "an increasingly grave situation" despite efforts of F. H. La Guardia, Director General. It did not look toward the long proposed broadening of the Combined Food Board, international allocating agency, but instead pointed toward the May 20 meeting here of the Food and Agriculture organization of the United Nations to formulate "a four or five year plan designed to carry the world through the present crisis."

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RECEIPTS OF CATTLE IN CHICAGO ARE LOW-Chicago-Chicago's hopes for more beef in the meat markets under the Government's new slaughter quota were lessened by today's transaction in the Stock Yards. The day's receipts of cattle, 3,200, were almost a record low for Thursday, and from that small supply Eastern buyers continued to take a large share.

Today's receipts compared with 3,802 received in the yards the previous Thursday. In the first four days this week 30,800 head were brought to Chicago and buyers for Eastern slaughterers got 19,900.

In the 1944 period corresponding to the first four days of this week 45,525 head were received in Chicago. Purchases for Eastern processors, however, were 200 head less at that time than they were this week.

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EMERGENCY GROUP HERE TO HELP IN COORDINATION OF FAMINE RELIEF-All activities in behalf of famine relief for the benefit of one billion persons throughout the world will be added in this city under the direction of the Famine Emergency Committee, according to Newbold Morris, former President of the City Council, who will serve as chairman of the New York organization.

In making this announcement yesterday Mr. Morris said his associates on the committee had decided in executive session that the principal objective of the local committee will be to assist "in planning and helping to coordinate the activities of many organizations and the thousands of individuals in the city who want to help starving people all over the world."

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WICKARD ADVOCATES POWER-Memphis-Government officials pounded home today in addresses before the American Public Power Association meeting that the welfare of the nation demands "adequate power at reasonable cost."

Claude R. Wickard, head of the Rural Electrification Administration, declared: "We must have adequate power in this nation. Half of the job of providing electricity to rural families has been completed, but the last half will be the hardest. These 6,000,000 families are in the less concentrated areas such as plains, where long transmission lines must be constructed to reach them."

(Turn to page 2 for other items. - - - -
in today's N.Y. Times.)

From New York Times, May 10 -

COTTON PRICES UP BY 11 TO 16 POINTS-Although the volume of business on the New York Cotton Exchange Thursday was rather small the market closed steady at net gains of 11 to 16 points on active months.

The buying was partly stimulated by a report that the Indian Government was about to ban exports of all cotton and meanwhile export licenses must be secured to export cotton. A short while ago all cotton 13/16" and longer was banned from the export trade.

Part of the gains were erased in the later trading because of the unfavorable outlook in regard to the coal and rail strikes.

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TRADING IN GRAIN AT MINIMUM - Chicago-Trading in grain futures today was at a minimum, with May rye fluctuating within a range of 8 3/4 cents a bushel and closing with a net loss of 5 cents for the third straight day. A little trading was done in July and December wheat, July, September and December oats and in the new crop deliveries of rye at ceiling prices, but no transactions were reported in corn or barley.

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From The New York Herald Tribune, May 10-

HOOVER TO GIVE REPORT ON FOOD CRISIS MAY 17; ANDERSON TO SPEAK-Chicago-Former President Herbert Hoover, honorary chairman of President Truman's Famine Emergency Committee, will report to the nation on the world food crisis at a Chicago meeting May 17, it was announced tonight.

His report will be made at a meeting of 1,500 Chicago civic, business, agricultural, welfare and church and labor leaders, the Chicago Famine Emergency Committee announced. Secretary of Agriculture Clinton P. Anderson also will speak.

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FOOD FOR CITY NOT YET CUT BY COAL WALKOUT-There will be plenty of fresh food for the 12,500,000 residents of the metropolitan area for the next month, despite the coal strike. But in two weeks the gas to cook with and the light to see by may be limited in many sections.

Although many utilities will be forced to curtail service by May 21, food will have first priority on their pending ration list. All utility companies reported they had enough fuel stocks to maintain refrigeration storage units for at least a month. After that, if the strike is still unsettled, about 300,000,000 pounds of perishable foods face spoilage.

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CONTAINER PLANT CLOSINGS THREAT TO FOOD SUPPLY-Food industry leaders expressed mounting concern yesterday over the grave threat to food supplies from the closing of some glass container plants and the probability that many others would be forced to shut down within a week or two by the coal shortages and the blocking of raw materials by the impending rail freight embargo.

Tin plate supplies for cans already have been reduced far below the level needed and the food industry has been dependent upon daily shipments of glass containers to pack crops now harvesting in the South.

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From the New York Wall Street Journal, May 10 -

HESSIAN FLY KILLING WHEAT IN PARTS OF KANSAS, MISSOURI, Chicago - A new obstacle to a bumper 1946 wheat crop is appearing in some sections of America's best wheat growing territory. Added to the drought damage in the Southwest the wheat plant is falling before attacks of the Hessian fly in parts of south central Kansas and southwestern Missouri, grain trade reports disclosed.

As yet damage to the crop is not extensive, but in the small areas where the pest has struck severely, more than half the crop has been ruined.

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MANAGED CONFUSION- Editorial - The great need is for grain to ship abroad. Instead grain is fed to cattle and chickens. One set of government officials say that it is wicked. Another set maintains a price relationship which encourages it. The government pleads with the owners of grain. The owners of grain reply that the government has been encouraging them to raise livestock.

The government says that it is wrong to sell grain for higher than the ceiling prices. But by maintaining livestock prices that make it profitable to buy grain for feed at far above ceilings, the government encourages the sales in the black market. Finally the government itself is forced to match the black market prices by offering to pay for wheat a price thirty cents a bushel above its own ceilings.

Encouraged by the government the livestock population has increased to very high levels. Then the government is forced to reverse its policy and raise the price of grain but not livestock prices. Consider the poor livestock producer. He has accumulated a large supply. Now he is suddenly told that it is unpatriotic to have it. What will he do? Much of it is not ready for market. The marketing facilities cannot suddenly handle all that is ready. The owner cannot let it starve. What he very likely will do is to continue to pay the price he must pay to get grain and to collect a price which will show him a profit, regardless of what the government says about prices.

The advocates of government planning have told us a great deal about the disorders, the cruelties and the uncertainties of a free market. Could anything be more ridiculous, more ineffectual, a source of greater uncertainties and cruelties than this instance of the attempt to substitute a controlled for a free market?

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FLOUR SUBSIDIES, Washington - Increases in the Government flour subsidy to compensate for the 15-cent boost in the ceiling price of wheat are not likely this month, some Government officials believe.

Spokesmen for the Reconstruction Finance Corp., agency paying the subsidy, have received no order from the Office of Economic Stabilization to pay a higher rate. Without such a directive, the R.F.C. will continue its present rates for the rest of the month.

One difficulty in changing the subsidy rate in the middle of the month arises from the fact that the R.F.C. is required to give 10 day's notice of any change. Thus, it would be May 19 before a new rate could become effective.

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(Turn to page 4 for other items from today's N. Y. Wall Street Journal.)

Farm Digest 1025-46-3

From the New York Wall Street Journal, May 9 (Cont.) -

RELIEF FOR PROCESSORS, Washington - Decision on the relief to be granted to wet and dry corn processors to compensate for the increase of 25 cents a bushel in corn price ceilings is likely to be delayed for at least several days.

Government agencies have given no indication on wheather they will allow the millers to add the increased price of corn onto their ceiling prices or whether this will be taken care of through a Government handout.

An increase in ceiling prices would allow mills with inventories of corn a substantial "windfall profit" on this grain. Inasmuch as the Government has consistently tried to prevent these windfalls, the subsidy, if decided upon, would likely be drawn up so as to apply to corn purchased at the new price.

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BOARD OF TRADE DIRECTORS DEFER ACTION ON U.S. REQUEST TO CANCEL CONTRACTS, Chicago - Directors of the Board of Trade took no action at the special meeting called yesterday to consider a Government "request and recommendation" that existing contracts in cash grain and futures be canceled. No statement was given out after the meeting. It is understood that the Exchange has asked the Government to give specified orders that the contracts be canceled.

Another special meeting is scheduled to be held today to consider the situation if an answer is received from the Government bodies which signed the original request.

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From the New York Journal of Commerce, May 10 -

CHICAGO GRAIN MARKET STUDIES PRICE CHANGES - Trade attention was centered largely on the Government recommendations that all existing grain contracts be closed out at present ceilings and that the exchanges start out with new contracts on Monday when the new ceilings become effective.

Opinion was divided on the wisdom of such a course and directors of the Chicago Board of Trade were to meet to consider it.

A telegram sent by Senator Elmer Thomas, chairman of the Senate Agricultural Committee to the President of the Board of Trade protesting against the Government recommendations and pointing out that "if a future contract is subject to cancellation by the directors of the Board of Trade when OPA changes ceiling prices then the contracts are of no value and futures trading should be discontinued" was expected to exert considerable influence in making a decision.

It was also reported that at a meeting of the New York cash grain trade it was decided to ask the Board of Trade to take no action on cancelling contracts until all exchanges can meet on the proposal.

The advance in grain ceilings was encouraging to the trade in general and hopes were entertained that in some grains, at least, the higher levels will stimulate a broader trade, particularly in wheat and oats as these two crops have been making good progress on large acreage. Corn, however, was expected to move steadily toward the new ceiling owing to the very active cash demand and the heavy disappearance during recent months which materially reduced the supply.

Deferred rye contracts were also expected to quickly attain the new ceiling in view of the small remaining old crop supplies and the outlook for a below normal harvest. Doubts were voiced as to whether the new rye ceiling will prove sufficeintly attractive to farmers to encourage harvesting of a larger percentage of the seeded acreage thah usual, as requested by the Government some time ago. Normally, farmers only harvest about one-half of the acreage seeded to rye and continuance of this practice will preclude the possibility of anywhere near a normal harvest as the acreage seeded last fall was extremely small.

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From St. Paul Pioneer Press, May 6 -

THE WHEAT MOVES-Editorial-Wheat poured into Twin City and Duluth terminals last week, more than 3 million bushels. This is the "mercy wheat" for which the government has asked. It is coming off the farms of the Northwest even though the best judgment of the farmers has been to hold their grain.

Just as the farmers are responding, so will the American people as a whole. They will conserve food and if, as Chester Bowles was warning last Saturday, it becomes necessary to reimpose rationing of some foods to save lives elsewhere, the American people will gladly submit to that small inconvenience too. This country has never been niggardly when its moral conscience has been awakened to human suffering.

That the food be delivered is the main thing. But since the world is the kind of place it is, the proper agencies of government should see that those who gain life from American food not become the prey of propagandists who would have them believe that the relief comes from other sources. Russia, which pleaded inability to supply food through UNRRA, is sending wheat to France (in American ships) with a great trumpeting of its generosity, and a great appeal to French voters.

If nations must compete, this is the highest form of competition--a rivalry in the saving of lives. America should also derive the benefit that is rightfully due those who save lives.

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From The Kansas City Star, May 6 -

GRAIN COMING IN-The government's bonus plan to entice grain from farms today appeared to be taking hold in worthwhile degree--with the arrival here of 177 cars of wheat and 99 cars of corn over the weekend.

This represented the heaviest movement to this market in many weeks. Virtually all corn and wheat which came in went to the government for its overseas program. Millers saw no reason to believe that relief will come to them before the new crop begins to arrive late next month.

Wheat arrivals totaled 78 cars a week ago and 298 cars a year ago.

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From St. Paul Pioneer Press, May 6 -

TREE PROGRAM EXCEEDS GOAL-Alma, Wis.-Tree planting in Buffalo county exceeded expectations and probably led all counties in the state this spring, according to Michael I. Verenick, in charge of the district soils conservation office here.

The office has furnished free 115,750 evergreen and hardwood trees for woodlot and windbreak planting on 115 acres of land, and 30,000 black locust for gully planting in an area of 25 acres.

In addition, the cooperators bought directly from the state nursery 36,000 evergreen trees for 36 acres of windbreak and woodlots, and 20,000 black locust for 20 acres of gully.

"We will do even better next year," declares Verenick, "because more and more people realize that the tree-planting is of great help in soil conservation and moisture retention, and also in the utilization of waste land."

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From The Creamery Journal, May, 1946 -

OLEO SUPPLY SHORT--The subject of exporting oleomargarine of food ravaged European countries came before the Combined Food Board recently but no decision was reached and it is thought probable that no recommendation will be made to take oleo supplies from the domestic market. The shortage of oleo in this country is expected to continue and may become even more acute before the end of the year, spokesmen for that industry said. They pointed out that supplies of vegetable oils are extremely tight and that the situation may get progressively worse. Stocks of oleo held over from last year because of lack of shipping space are now being shipped abroad it is reported.

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SOYA BUTTER CASE AIRED AT GROCERS MEETING--The decision of the Federal Court in Detroit, ruling that Soya butter is a butter substitute, has made the Michigan Retail Grocers and Meat Dealers Association liable for \$100,000 in back license fees as a result of handling the butter substitute without first obtaining either state or federal licenses which are required of handlers of colored oleo it was revealed at the organization's annual meeting.

The manufacturer contends his product was a vegetable compound and not a form of oleo and accordingly obtained a court injunction against the state in enforcing the proper labeling of the product and also an order against the collector of internal revenue from interfering with the sale of Soya butter until the courts had decided its legal status.

Since the court decision, which has been appealed to the United States Circuit Court of Appeals, the federal agents have cracked down for the back license of \$48.00 a year from each dealer for each year since the manufacturer went to court in 1942. They have also obtained a \$152,000 tax lien on the property of the manufacturer, the Butler Food Products Company. Pending the outcome of the appeal the injunction against the State Department of Agriculture still stands.

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From The Times-Picayune, May 1 -

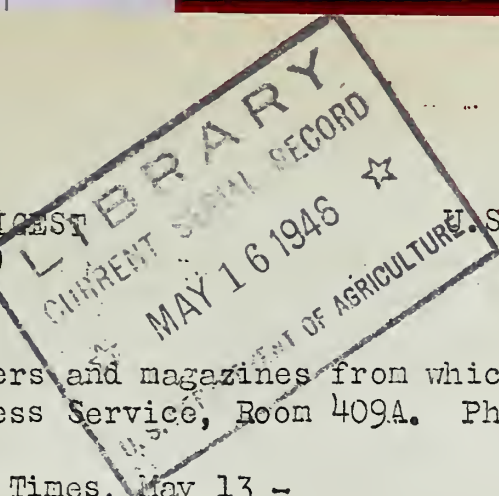
BLACK MARKETS IN MEAT--Editorial--With legitimate meat supplies near the vanishing point, relatively speaking, national and local OPA officials announce step-ups in the intensity of their drives against the black market operators in meat. The local investigation staff will be enlarged within the next few days. Washington intimates that hundreds of additional enforcement men will be put on meat black market trails the country over. The department of justice promises a crack-down on black marketeers who evade income tax payments on their illicit profits.

Most civilians feel that the OPA has been rather conspicuously backward about coming forward against the black markets--notably those dealing in meats. For weeks the meat situation has been going from bad to worse, with the black markets, according to nation-wide report, steadily increasing their takes of the available supplies. Meat animal receipts of the legitimate packing houses have been dwindling visibly. Failure of the OPA to act promptly and effectively in situations like this one has provoked wide criticism and helps to account for its unpopularity in many quarters where it sorely needs friends and supporters in its controversy with the House.

But late is better than never and prompt fulfillment of the new promise of an intensive drive should help consumers and OPA's case in Washington at one and the same time.

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14 DAILY FARM NEWS DIGEST
(For May 13, 1946)



U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington, 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 13 -

TRUMAN TO CONFER WITH HOOVER TODAY ON WORLD FAMINE-Washington-President Truman will confer tomorrow with two world food authorities who reached Washington today with first hand reports on dire food needs in Europe and Asia.

Herbert Hoover said his first report on what he had seen would be given Mr. Truman at a White House conference at noon Monday.

(A Washington dispatch from the Associated Press said:

"Chester Bowles Stabilization Director, plans to recommend that President Truman restore food rationing in August unless prospects meeting famine relief commitments improve quickly.

"He believes said a high official who asked to remain anonymous, that it may become necessary to ration meat, butter and cheese, and possibly bread.")

Herbert Morrison, Lord President of the British Council, said he came from London to discuss food with President Truman and other high officials. He said that the battle against famine was "at this moment going against us."

Mr. Hoover was met at the airport by Secretary Anderson, who told a country wide radio audience that the world food shortage could not end before the 1947 harvests were in.

He repeated the Government's plea that this country give up the wheat in its granaries to relieve starvation in other lands.

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NATION WIDE DRIVE ON TODAY FOR GIFTS TO WORLD'S HUNGRY-The Emergency Food Collection Drive, designed to obtain donations of canned food and money--principally money--for the relief of the starving millions abroad, begins today throughout the nation.

In this city fifty-nine emergency stations have been set up by the American Women's Voluntary Services, where gifts will be received. Six thousand other communities in the nation have been similarly organized, with a goal of 16,000 set.

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CITY LOSES SUGAR TO BLACK MARKET-Black market operations have diverted nearly 850,000 pounds of sugar out of legitimate markets in the New York area since Jan. 1 seriously lessening the already scant sugar supply. Leo F. Gentner, regional administrator of the Office of Price Administration, declared yesterday.

The sugar has been drained from legitimate channels through use of spurious sugar stamps. A drive by OPA's enforcement division resulted in criminal charges against flagrant violators and suspension actions against dealers who continued to accept spurious stamps.

(Other items on page 2 of the N. Y. Times.)

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From The New York Times, May 13. -

U.S. PLAN REBUFFED BY GRAIN MARKETS-Chicago-Director of the Chicago Board of Trade at a special meeting held today, flatly refused to cancel outstanding contracts in cash grain and futures as had been "requested and recommended" by the Office of Price Administration, the Department of Agriculture and the Office of Economic Stabilization.

Following the meeting it was announced that acting under the provisions of Rule 241 of exchange the directors ordered:

(1) That on and after tomorrow there shall be no trading in futures contracts which were outstanding at the close of business on May 11 in wheat, corn, oats, rye, except the May, 1946, contract, and barley except for the purpose of liquidation.

(2) Trading in new contracts will be permitted commencing Tuesday, May 14 at not over the ceiling price which will become effective tomorrow. The ceiling established on wheat futures is \$1.95½; corn, \$1.46½; oats, 88 cents; rye, other than May, \$1.58½ and barley, \$1.35½ a bushel.

(3) In order to avoid confusion, trading in new wheat and oats will be for delivery during the months of August and November, 1946 and March, 1947; and rye and barley, November, 1946, and March, 1947.

In explaining its refusal to take action on the Government's request that contracts in cash grain contracts be canceled, officials of the exchange said that the board found it was without power or authority to make any adjustment in such contracts.

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50 TO 60% OF FEDERALLY INSPECTED LARD NOW GOING TO GOVERNMENT FOR THE UNRRA-Chicago-Increased tightness featured the lard and fat market last week as new Government set aside orders went into effect, further reducing the amount available for sale to the domestic trade. Packers estimate that 50 to 60 percent of the Federally inspected lard is now going to the Government for distribution abroad by the United Nations Relief and Rehabilitation Administration.

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CHURCHES APPEAL FOR UNRRA FOOD-Responding to an appeal by Secretary of Commerce Henry A. Wallace, national chairman of the Emergency Food Collection drive now being conducted for the United Nations Relief and Rehabilitation Administration, clergymen in sermons here yesterday called upon the people of New York to support the campaign for food for starving Europe and Asia.

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500,000 ARE NEEDED TO HELP CAN FOOD-Washington-A call for 500,000 full and part time workers to assist in processing this summer's fruit and vegetable canning crops was issued today by Robert C. Goodwin, Director of the United States Employment Service.

Emphasizing the greater need for fruits and vegetables this season to balance the heavy diversion of cereals and fats to starvation areas in Europe and Asia, Mr. Goodwin declared:

"Failure to pack every available case of canned food this year would be disastrous."

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From the New York Journal of Commerce, May 13 -

NEW YORK COTTON MARKET REFLECTS ADVERSE CROP PROSPECTS - Prices moved without uniformity in a thin session on the New York Cotton Exchange on Saturday. The closing range was off 5 to 6 points.

Movements on Saturday had little effect on the general trend of prices. Over the week, new crop position gained as much as \$1.75 a bale. Immediate May deliveries, however, fell 50c a bale since the preceding Saturday.

The upswing in distant months was attributed to unfavorable weather reports at mid-week and to infestation surveys, both of which will apparently affect the new crop adversely. Although private advices indicate increases in acreage of 10 to 25 per cent, a heavy incidence of the boll weevil, the pink boll worm and the flea hopper may reduce the total yield. Secretary Anderson stated that a hot, dry June would tend to reduce prospective weevil damage.

The comparatively sharp drop in prices for May deliveries and the small gain in July were, in part, a result of the slackening of mill demand. Notwithstanding the truce in the coal strike, mills were limiting or terminating operations in the face of the rail embargo which has cut off fuel supplies.

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MAY RYE FUTURE CONTINUES DECLINE - Chicago may rye again declined 5c at Chicago on Saturday to finish at \$2.57 3/8, a loss of 28 7/8c from the recent all-time high, and reflected liquidation spurred by the contract tenders and the sharply lower price ceiling scheduled to go into effect on all rye as of June 1.

.... All other grain contracts were firmly established at ceilings with trading almost non-existent.

Traders generally were awaiting a decision by directors of the principal grain exchanges on whether to cancel out futures contracts at the old ceilings. New ceiling prices will be effective today on wheat, corn, oats, barley, rye and grain sorghums.

Cold weather blanketed a large part of the grain belt and frosts extended into Southwestern wheat areas which caused fears that the prospective outturn will be further reduced. However, some observers were of the belief that losses will be comparatively small, but it will be necessary to wait for several days before any accurate appraisal can be made.

Partially offsetting frost reports were advices of beneficial moisture in some winter wheat sections and heavy rains were predicted for western Kansas, where it has been much too dry.

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GRAIN TRAFFIC LOSS CUTS APRIL EXPORTS - The volume of freight carried by railroads to ports for export shipment during April was 8 per cent less than during the preceding month, according to figures compiled by the car service division of the Association of American Railroads. A heavy decline in grain movements accounted for the decline. Exports other than grain were 2 per cent higher than in March, the figures reveal.

Only 7,436 carloads of grain were unloaded during April as compared with 17,072 during March.

Rail freight passing through the Port of New York for export and domestic shipping declined from 33,637 cars in March to 32,102 in April. The percentage of the total rail freight handled through this port, however, increased from 35.6 per cent to 37.3 per cent of the national total, reflecting the decrease in grain shipments which affected such ports as Galveston and Portland, Ore., to a proportionately greater extent.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

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From the New York Journal of Commerce, May 13 (Cont.) -

'COLLAPSE' IN FOOD PROCESSING FEARED - Pointing out that conditions in the food manufacturing and processing fields are becoming increasingly grave as a result of the coal strike, supply shortages, and huge exports of food for famine relief, Paul S. Willis, president of Grocery Manufacturers of America, offered co-operation of the industry in solving these problems in a letter to President Truman at the week-end.

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MARKETS - Hog receipts small and prices nominally at ceilings...Early start of pea pack in Northwest seen due to rapid crop progress...Imported nuts offered more freely, with tone easier...Live broilers active at or near ceilings...Frozen fryers lower...Heavier supply of corn eases prices....Legitimate channels' butter stocks worse pinched...Greater activity in egg market.

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From the New York Wall Street Journal, May 13 -

WORLD MEETING ON COTTON, Editorial - In Washington last week the International Cotton Advisory Committee, protege of our own government, held its fifth meeting. According to press reports, the proceedings lagged. A delegation from Brazil, a cotton-producing country, was in the city but did not attend, it had no instructions from its home government. The Advisory Committee had been expected to discuss a world agreement on cotton marketing but the languid delegates made only indifferent passing references to such a plan....

Why this international unconcern....A good guess would be that the world sees the United States pricing itself out of the international cotton market and preaching a trade gospel which if it means anything means that we must stop subsidizing exports. It would appear that foreign planters have little fear of American competition as things are now and see no great need of catelizing the cotton world.

When this cotton conference was organized on American initiative in 1939 the hope was expressed here and abroad that it would assure each producing country its "fair share" of world markets, stabilize prices and prevent excessive production. Doubtless the war interfered with its efforts....But now the war is over and still the International Cotton Advisory Committee seems disposed to twiddle its fingers.

This newspaper has no liking for Commodity Cartels. By the other name of "arrangements" they smell as bad, whether private or governmental. They are good paving material for the road to serfdom. If the Advisory Committee has put on its record only a few pleasant cocktail parties, well and good.

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FARM EQUIPMENT MAKERS GRANTED PRICE INCREASE, Washington - The Office of Price Administration has granted manufacturers of farm equipment a 5% increase in the list price of their products to reflect materials and labor cost increases. At the same time, the O.P.A. reduced dealers' discounts by 4%.

The effect of these two actions amounts to a 10% increase in the manufacturers' net realized price, the O.P.A. said. The price increase will result in a 3% price rise at the retail level.

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From The Boston Herald, May 9 -

EPISCOPALIANS URGE U.S. SEIZE FOOD FOR EUROPE-Reinstatement of food rationing and immediate governmental requisitioning of all supplies needed for shipment to Europe and the Far East to wipe out starvation were urged yesterday in a resolution passed by the Episcopal Diocese of Massachusetts at its annual convention.

Another resolution called for the appointment by the Rt. Rev. Henry Knox Sherrill, Episcopal bishop of Massachusetts, of three or more communicants to draw up a plan of voluntary rationing by families in all the parishes.

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From The Union, Manchester, May 8 -

FELKER DEMANDS UNIFIED ACTION TO GET GRAIN-Concord-"There is no reason in God's world why the whole Northeast delegation in Congress should not be united to protect the interests of 40 million constituents" Agriculture Commissioner Andrew L. Felker declared today after proposing concerted action on the part of members of Congress to get more grain into the Northeast.

After stating that members of the New Hampshire delegation have worked hard to get relief, Commissioner Felker declared that the present best action to take would be to bring Secretary of Agriculture Anderson and Price Stabilizer Bowles before the entire Northeast delegation to "find out who's boss." Felker explained that Anderson and Bowles are at "loggerheads" over the solution to the grain problem and he thought it necessary to determine to the satisfaction of Congress just who is responsible to take the necessary steps and to see that it is done.

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From The Chicago Daily Tribune, May 9 -

LOANS ON FARMS TOP VALUE SAYS HEAD OF GRANGE-Washington-Albert S. Gross, master of the National Grange said today many loans now made on farm lands are out of all proportion to normal values. Terming farm land prices "close to the inflation of the last war," he told the senate agriculture committee that sales prices have been rising more than 1 per cent a month.

Gross urged the committee to approve a house passed bill to remove farm credit agencies from the agriculture department and put them under a seven member independent board. The bill, by Rep. Flannagan (D.Va.) provides for farm appraisal services which would be available to the public. The measure is opposed by Secretary of Agriculture Anderson

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CONFUSION COMPOUNDED-Editorial-The special house committee investigating food shortages heard a spirited defense of recent increases in dairy subsidies from Stabilization Director Bowles and OPA Director Porter. The next moment the committee heard the subsidy increases attacked by Secretary of Agriculture Anderson, who said they were ordered without his knowledge or approval.

When the New Dealers agree, there is enough confusion. When they disagree we have confusion compounded. Pity the poor congressmen and the people they represent.

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From the Union, Manchester, H. H., May 8 -

ASKS U. S. ACT TO AID FARMERS - Chester Jenks, of Manchester, candidate for the Republican nomination for Congress in the First District, Tuesday called upon the national government to take effective action to provide labor, equipment and necessary supplies if farmers are to meet production goals. Jenks, in a wire to the White House, states that farmers are facing early exhaustion of feed for dairy cattle and poultry at a time when a hungry world looks to America for food. Immediate relief is necessary in order to prevent widespread starvation in areas of greatest shortage, affirms Mr. Jenks.

"These needs must be met from existing supplies because it will be too late after the next harvest. We urge appreciation of the gravity of the situation with confidence that our people will unite on a program of food conservation so we may share our supplies with those who face starvation.

Mr. Jenks continued that appeals for action to move supplies to this area have failed to produce any adequate action.

"There is confusion and dispute among the top government agencies to which has been given responsibility for pricing and distribution of agricultural products. The recent report to Congress of the Pace Committee to Investigate Supplies and Shortages of Food recommends: "Vest full and exclusive control of production, price and distribution of milk and dairy products in the Secretary of Agriculture."

Farmers with complete justification can demand that the President and Congress act promptly to bring order out of the present confusion, stated Mr. Jenks, adding that, otherwise farmers cannot operate efficiently or produce in abundance the products so desperately needed in a war torn world.

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From the Atlanta Constitution, May 7 -

THE DANGER IN FARM LAND INFLATION, Editorial - Walter S. Brown, director of the state agricultural extension service, performed a valuable public service in warning Georgians to guard against inflation in land prices.

It is one of the tragedies of our wartime economy that no way was found to prevent inflation in the real estate field. While farm lands have not advanced as spectacularly as urban property, the increase has been steady, with the result that in at least seven states, farm land prices have doubled since the beginning of the war.

In Georgia, says Mr. Brown, farm real estate values are now 91 percent above the 1938-39 average--and continuing to climb. This latter condition, incidentally, is nation-wide, the country at large having shown an average increase of 7 percent since the first of this year.

The continuing rise in farm values is a source of increasing concern to Georgians who have the state's best interests at heart. Only too well do we remember the farm land boom--and consequent tragedy--which followed the last war.

That was when the average farm income plummeted from \$1,360 in 1919 to \$460 in 1921.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 14 -

GRAIN DEFICIT EBBS, NOW 3,600,000 TONS HOOVER DECLARES-Washington-In a report to President Truman today on his famine relief mission. Herbert Hoover said world grain supplies were 3,600,000 tons short of the volume needed to prevent starvation in famine-stricken lands, and suggested that the gap might be bridged entirely by better cooperation from Great Britain and Russia, and more vigorous conservation measures in surplus countries.

The former President was congratulated by Mr. Truman on his "splendid job" and accepted the Chief Executive's proposal that he round out his world-wide survey by going to South America as this country's "food ambassador" to enlist the support of the Latin Republics in the universal emergency.

The world food crisis later was discussed by Mr. Truman with Herbert Morrison, Lord President of the Council and leader in the Commons, preliminary to the latter's detailed discussions with the Combined Food Board. Secretary Anderson took part in this talk. The British Laborite said he had not mentioned possible restoration of food rationing in this country.

The substantial reduction in the world's grain deficit, estimated by the Combined Food Board at 11,000,000 tons at the time of his departure, had been achieved by cutting the requirements of all countries to a basic subsistence level of 300 grains a day, Mr. Hoover explained, in most cases by agreement with the governments concerned.

ACHESON FORESEES 5 YEARS OF FAMINE-Dean Acheson, acting Secretary of State drew a pessimistic picture yesterday of the world's chances for staving off famine and of getting on the recovery road in the near future.

He told the biennial convention of the Women's American Organization for Rehabilitation Through Training meeting that "today the question that is overwhelming in its implications is whether mankind can survive, whether civilization can survive."

Reviewing the world food situation, he said: "Not until the fall of 1947 is there any hope that world food supplies will come into balance with the urgent needs. The famine emergency will not pass this summer; it will not even pass next summer. World food stocks have been depleted in order to meet the current crisis."

Mr. Acheson said flatly, "We face five years of famine."

3 WHEATLESS MEALS A WEEK PROCLAIMED BY THE MAYOR-Mayor O'Dwyer issued yesterday at City Hall a food-conservation proclamation calling upon New York City residents to refrain from eating bread, pies, cakes and pastries at evening meals on Tuesday, Wednesday and Thursday in each week. Meals on these three nights, he said, are to be dedicated to "Freedom From Famine," to alleviate hunger abroad.

Hotels and restaurant proprietors and those serving food in other public places also were called upon by the Mayor to follow the same practice by dispensing with wheat and cereal-consuming items on these three evenings.
(Other items on page 2 from the N. Y. Times.)

From The New York Times, May 14 -

FORECAST MORE SUGAR FOR HOME CANNERS-Washington-A forecast that the annual household ration of fifteen pounds of sugar a person can be maintained for 1946, and that there will be a larger allowance for home canning, was made today by the Department of Commerce.

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CRUSHED COTTONSEED TOTALS 3,061,791 TONS-Washington-The Bureau of the Census reported today that cottonseed crushed in the nine months from Aug. 1 to April 30 totaled 3,061,791 tons, compared with 3,771,102 tons in the corresponding period a year ago.

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THE CASE FOR RATIONING-Former President Herbert Hoover, back from his world circling inspection tour, yesterday gave the White House reporters a more cheerful view of the food situation than we have previously had from him or from other observers. He saw, he said, no evidences of "mass starvation." He thought that minimum cereal needs between now and September might be scaled down to 14,484,000 tons, with 10,897,000 tons already in sight. But this interview, given after a conference with President Truman, does not really alter the picture of a quarter of the population of the globe perilously close to famine. There is still a deficit of 3,600,000 tons. There are still, as Mr. Hoover said, areas in which only a month's supply of food remains.

Another of the President's visitors yesterday was Herbert Morrison, No. 2 man in the British Cabinet. Mr. Morrison denied reports that he had come to urge a rationing system on this country.

Voluntary action can save food for the starving, and is doing so. The American people will respond generously to the Emergency Food Collection, now getting under way. The appeal to limit the use of wheat products and fats will have its effect. Some wheat will be brought off the farms by the Government's 30-cent bonus offer, good until May 25. The lifting of price ceilings on grains and livestock feeds should discourage the wasteful habit of turning too much of our cereal supply into meat. But the world's necessities are now so great that purely voluntary action is not enough. Just as we needed selective service for men during the war--and, for that matter, still need it--we now need what might be called a selective service for food. And this can only mean a return to rationing.

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WORLD'S FARMERS TO PROTECT PRICES-London-While the world is in the throes of the greatest food shortage of modern times, representatives of organized farmers of thirty countries are gathering in London to found a new international organization to protect farmers against the consequences of overproduction and low prices.

Amid the various objectives set for the British-sponsored Conference of Agricultural Producers, formally convening next week, the building of a world organization to protect farmers' profits is emerging.

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From the New York Journal of Commerce, May 14 -

GRAIN TRADING UNDER NEW CEILING PRICES SLATED FOR TODAY - Independent action by the various exchanges in coping with the problem created by the Government's request that old contracts be canceled out at former ceilings presented a somewhat confused picture.

Chicago ruled that trading in old contracts must be limited to liquidation with no new transactions permitted and delayed the start of trading in new contracts until today. By restricting trading to liquidation of old contracts directors of the Board of Trade, while failing to order cancellation, complied in principle with the Government request as windfall profits were thereby prevented.

Minneapolis took no action to restrict current contracts and started trading under the new limits and, as a result, trade attention at Chicago was largely focussed on the Northwestern market where wheat and corn rose and daily 5c limit, while distant oats position there gained only 1c to 1 3/4c.

Harvesting was under way in some early Southwestern winter wheat areas and Fort Worth reported the arrival of the first car of new wheat.

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PILLSBURY OPTIMISTIC ON WHEAT OUTLOOK, Chicago - The domestic wheat supply, including both old and new crops, will be sufficient to meet America's food needs and export commitments if it is channeled away from such things as alcohol, pastes and similar by-products; Philip R. Pillsbury, president of the Pillsbury Flour Mills, Inc., said today.

At a news conference following an address to the National Association of Flour Distributors, Pillsbury said "as far as the wheat situation is concerned I am an optimist. I have a bet that this year's wheat crop will pass the 1,000,000,000 bushel. If we do that, with an increase in sugar importation from Cuba, and with help to put wheat in its normal food channels, we will be able to meet all our food requirements."

He said because of the lag between the new and old crops his firm had closed its Minneapolis "A" mill, its Buffalo, N. Y., and, Enid, Okla., mills because "they were down to less than a car load of wheat on hand." All other Pillsbury mills will be down before the end of the month, he indicated.

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CORN AND WHEAT SUPPLIES SHOW INCREASE FOR WEEK, Chicago - Visible supply of wheat increased 749,000 bushels to 15,986,000 bushels this week, the Board of Trade reported today. Corn increased 3,275,000 bushels to 20,681,000 bushels.

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FARM CREDIT BOARD REJECTED IN SENATE, Washington - The Senate Agriculture Committee rejected today requests of major farm organizations that all Government farm credit agencies be removed from control of the Secretary of Agriculture and placed under an independent bipartisan board.

Chairman Elmer Thomas (Dem., Okla.), said a 14 to 5 vote at a closed session defeated the request for extended hearings on the centralized credit plan, previously approved by the House.

Instead, the committee, by what Thomas termed a unanimous vote, agreed to substitute legislation expanding the present farm tenant program to include war veterans, for a House bill that would group the tenant aid program under a new Government Farmers' Home Corporation.

From the New York Journal of Commerce, May 14 (Cont.) -

TEXAS CANNERS START ON NEW TOMATO PACK, Weslaco, Tex., - According to Secretary Overby Smith of the Texas Cannery Association, the supply of ripe tomatoes is not large enough yet for heavy packing.

The spring tomato pack was started last Tuesday in Rio Grande Valley canneries. The latter already have processed 9,111,729 cases of citrus juice, to better their 1945 performance by 100,000 cases.

Mr. Smith called the grapefruit pack one of Texas' largest in recent years. By the end of the season the total is expected to reach 9,500,000 cases, or 500,000 more than last year's output, he added.

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COTTON CROP IN BRAZIL TO INCREASE IN 1946-47 - An increase in cotton production in Brazil for the 1946-47 season was forecast by trade sources, according to the New York Cotton Exchange Service Bureau yesterday.

Plantings to the new crop indicated production of 461,000 bales in North Brazil, as compared with 424,000 bales for the current season and 476,000 bales for 1944-45. The estimate, however, fell short of the 650,000 bales produced in the same section during the years immediately preceding the war.

As a result of unfavorable weather, production in the current season in South Brazil was expected to reach only 1,476,000 bales as compared with the anticipated 1,750,000 bales foreseen on Jan. 1, 1946.

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From the New York Wall Street Journal, May 14 -

KANSAS CITY CURBS GRAIN TRADING, Kansas City, Mo. - The board of directors of the Kansas City Board of Trade adopted resolutions providing for the following:

"(1) For the purpose of complying as far as possible with the request and recommendation made by the Office of Economic Stabilization, the Department of Agriculture, and the O.P.A. that futures contracts open at the close of business May 11, 1946, be settled at the then applicable ceiling prices, it is ordered that, on and after May 13 trading in grain for future delivery on the Kansas City Board of Trade is prohibited except in settlement of contracts existing at close of business May 11, 1946, and at prices not over the then applicable ceilings.

"(2) That unless and until otherwise ordered by the board of directors no new grain futures will be established."

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THE WORST RYE shortage on record won't be ended by the new crop. Expected production this year of some 21 million bushels will be about half the 10-year average harvest. Indicated plantings are the lowest in 65 years. Farmers may not even harvest all they plant. Reason: A price ceiling of \$1.58½ a bushel (basis Chicago) is scheduled to go over rye on June 1, and farmers say it will make the crop unprofitable. Ceiling-free rye now sells in Minneapolis around \$3 a bushel.

Stocks of this grain are now critically low. Slashed in half since the beginning of the year, they stood at 7.8 million bushels April 1. This compares with 20.3 million on that date last year, 36 million two years ago, and 52 million three years ago.

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From The New York Times, May 12 -

REPORT FROM THE NATION-Central States-Ex-Service-Men Returning to Wisconsin Farms-Out of every 100 Wisconsin farmers who entered the fighting forces, forty-eight of those discharged have returned to farms, the agriculture staff of the University of Wisconsin reports.

MIDWEST STATES-Rebuilding Livestock Held a Problem of Years-Omaha, Midwest farm journals and individual observers generally agree that the present meat shortage will become more severe before the situation begins to improve.

Present liquidation of animals indicates to many experts that it may take several years to rebuild the livestock industry after the forced marketing flurry subsides. Because of feed shortages, cattle feeding has gone into a nose dive and many farmers are shying away from a big 1946 pig crop. Lamb feeders are also pessimistic.

The Government's action this week in authorizing sharply higher grain prices may intensify the downward trend in livestock feeding, although there was mixed reaction on this point. While Washington officials expressed belief that the higher prices would enable feeders to bid for corn, feeders around Omaha took a gloomy view. The squeeze between higher grain prices and ceiling prices on finished animals will discourage the trade, they assert.

Reports from various parts of Iowa, Nebraska and South Dakota indicate a tendency to reduce livestock holdings on the farm. Iowa's spring pig crop is reported to be smaller than in 1945, and Government plans to ask a 10 per cent reduction in next fall's pig crop will doubtless be complied with. Grass-fed range cattle will lack the high quality and tonnage of corn-feds.

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INDUSTRY GAUGING MARKET FOR SILK-With Japanese silk arriving at the rate of 10,000 bales monthly, fabric weavers and hosiery knitters are currently gauging the market for silk products to compute what price would be feasible to bid for the staple, it was learned last week. All plans for resuming silk weaving and knitting, of course, are contingent on the release from price control of all items made of silk, an order which is expected momentarily from the Office of Price Administration.

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From St. Paul Pioneer Press, May 8 -

THYE BLASTS FEDERAL FARM CONTROL-Mismanagement of farm problems by the federal government was charged Tuesday by Gov. Thye, candidate for the Republican nomination for U. S. senator.

In a major address on agriculture, given over radio station WCCO, Thye declared that men are needed in Congress and in Washington executive positions who have a practical understanding of the farming business.

The governor also stated that prosperity of farmers, workers and business is inter-related, and no one of these groups can advance permanently at the expense of the others.

"Our goal must be a fair and equitable distribution of the national income among all economic groups," Gov. Thye said.

He described government policies on wheat and butter as examples of mismanagement.

A low price ceiling was put on wheat and a relatively high ceiling on meat to encourage farmers to feed wheat to livestock, Thye said.

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From St. Louis Post-Dispatch, May 7 -

FAMINE RELIEF DRIVE WHEAT SCHEDULE IS MET IN COUNTY-Deliveries of St. Louis County wheat to elevators and milling companies in St. Louis and the county under the Government famine relief program are on schedule, and, judging from the number of applications thus far requested, the 20,000 bushel quota for the county will be reached by the May 25 deadline, it was announced today.

Charles H. Stemme, chairman of the Agricultural Conservation Association of the county, said that no deliveries of corn have been received. He pointed out, however, that the quantity of corn available in the county is very small, and probably totals no more than 5,000 bushels.

Some individual farmers normally have stocks of 8,000 bushels of corn at this time of year, Stemme said. He said that undoubtedly some St. Louis County corn was being sold at black market prices for use in fattening stock before the animals are sent to market.

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From The Milwaukee Journal, May 7 -

FARM GROUPS BACK PLANS TO DECENTRALIZE INDUSTRY-Washington, D.C.-(AP)- Legislation to promote the "industrialization of underdeveloped areas" on grounds that "decentralization would tend to minimize the effect of industrial disputes," was recommended Monday by the National Grange.

Fred Bailey, legislative counsel of the farm organization, testified for the grange before a senate commerce subcommittee. Secretary of Labor Schwollenback and Russell Smith of the National Farmers' union also supported the measure. Secretary of Commerce Wallace endorsed it last week.

The bill proposes a \$5,000,000 annual outlay for gathering statistics on industrial opportunities of various areas. The secretaries of labor, agriculture and commerce would co-operate in encouraging new enterprises.

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FLOUR-FOR THE PIGS, Editorial-Saturday some Milwaukee housewives found no bread on the shelves of this grocery stores and bakeries.

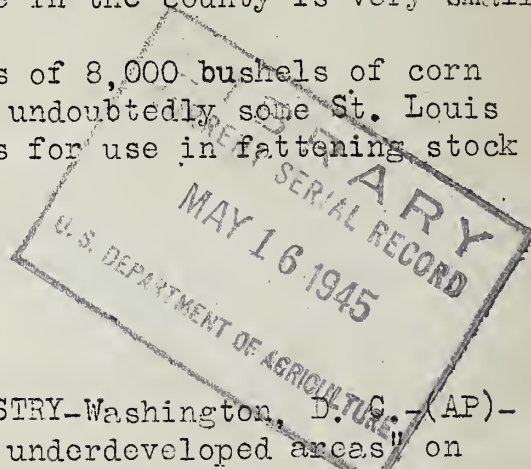
There is, it appears, so great a shortage of flour that bakers must cut their production, even though working men and women and growing children must go without all they need.

Sunday, Milwaukeeans learned that hundreds of bags of flour have spoiled in the warehouses of feed men because these men have been forced, in order to get middlings and bran, to take a considerable amount of bread flour, for which they have little or no market and quite inadequate storage facilities. Rats and weevils have got into much of this flour, which has later been mixed in hog and poultry feeds or sold in its damaged condition for direct feeding to hogs.

The waste entailed here is appalling. Every dealer knows about it. The OPA apparently knows about it. But the thing goes on. To get feed materials, the dealers have to take flour badly needed elsewhere. Often, too, they have to make presents here and there along the line, in order to get supplies at all--presents of so high a value that the real cost of materials is far above the ceilings so piously followed in the invoices.

This is private enterprise "getting along" under price ceilings! This is private enterprise "co-operating" in famine relief! This is private enterprise "helping" to get the country out of its war difficulties and on to the high road of "normal" peacetime living.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 5212.)

From The New York Times, May 15 -

ANDERSON ASKS FOOD SAVING UNDER '47 WHEAT PROGRAM-Washington-A 1946-47 wheat program issued today by Secretary of Agriculture Clinton Anderson called for continued food-conservation measures throughout the coming year.

The Secretary based a nine point proposed plan of action on Herbert Hoover's report, which, he said, showed clearly that there would be "great need for continued heavy shipments of United States wheat during July and August."

"By September, when these shipments are made and we see how world crops are coming in, we shall know a lot more about the whole situation," Mr. Anderson added.

Under the program the 1946 crop, estimated at about 1,000,000,000 bushels, which with, a small carry over will make less wheat available next year than this, would be apportioned about as follows:

250,000,000 bushels for export, which was termed "less than the very heavy exports this year."

150,000,000 bushels for feeding livestock, or "roughly half of the total fed in each of the last two years."

450,000,000 bushels for human food, about 5,000,000 less than this year.

2,000,000 bushels for industrial uses, none for brewing and distilling, as compared with 20,000,000 used industrially this year and 82,000,000 in the preceding year.

The rest would go for seed and carry-over.

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TOYKO'S RICE DOWN TO THREE DAY SUPPLY-Tokyo-Japanese food stocks are at their lowest since the occupation and the well informed economic journal Nippon Keizai reported tonight that Tokyo had less than three days supply of rice on hand and other large Japanese cities are in similar or worse positions.

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NAVY ALTERS FARE OF 25,000 SAILORS-Aboard the Aircraft Carrier Roosevelt, in the Caribbean-The 25,000 sailors aboard the twenty nine ships of Task Force 80 on maneuvers in this area are still eating well, but the wartime menus have been altered in keeping with the country's food conservation program. The amount of meats, fats and oils have been reduced with more poultry and fruit added.

Capt. H. E. Regan of Seattle, commanding the Roosevelt, said that there were few complaints about the change and that most men like the greater variety of food.

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DISTILLERS GRAIN DRIVE-Twenty per cent of the 50,000,000 pounds of grain that the distilling industry is undertaking to collect for distribution by the United Nations Relief and Rehabilitation Administration to the starving populations of Europe and Asia has been assembled, Lester E. Jacobi, president of the Schenley Distillers Corporation and chairman of the distilling industry committee to aid UNRRA, announced yesterday.

(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, May 13 -

SHOPS HERE CLOSED BY 1,000 BUTCHERS--A thousand New York retail butcher shops, chiefly in Brooklyn, locked their doors yesterday for the duration of an all-out war on the black market in meat, and their owners joined indignantly in an organized drive to cripple illegal operations by shutting down every retail meat outlet in the city.

Five hundred of the shops had not reopened since the close of Saturday's business, and 500 others joined them in the long-term shutdown.

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COTTON BOARD ASKS PERMANENT SET-UP--Washington--Establishment of a permanent organization by the International Cotton Advisory Committee, staffed with experts on world cotton problems, was urged today in a resolution adopted at the closing session of the committee's fifth annual meeting.

The committee took no decisive stand upon the controversial question of arranging a world marketing agreement for cotton but left the subject for study by the permanent organization, when and if it is established.

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GRAINS ARE HELD FOR CEILING PRICES--Chicago--Trading in grain futures based on ceiling prices for cash grain which became effective yesterday was begun on the Board of Trade today but wheat, corn, barley and the new crop deliveries of rye were bid up the permissible limit of 5 cents for one day's operation without attracting sellers. Oats, however, sold under the old ceiling price early only to rally and close $1\frac{1}{2}$ to $2\frac{1}{2}$ cents a bushel above that figure, but were well below the permissible top of 87 cents, August closing at $85\frac{1}{2}$ cents.

Trading in futures which had ceilings in line with that in effect prior to yesterday is for the purpose of liquidation only, with wheat, corn, rye and barley and May and July oats finishing unchanged at the permissible maximum, but September oats lost $1/8$ cent and December was down $1\frac{1}{8}$ cents.

May rye continued its sensational break which has carried the price from a close on $\$2.82\frac{3}{8}$ on May 6 to $\$2.47\frac{3}{8}$ at the finish today, which was at the bottom and brokers reported plenty of selling orders but no bids in hand. This is the only grain future not affected by ceiling prices, but a ceiling of $\$1.58\frac{1}{2}$ on futures will become effective on June 1. Some large commission houses are refusing to accept new commitments in May rye despite margin requirements of 75 cents.

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PUBLIC IS EAGER TO HELP SAVE FLOUR BUT FINDS O'DWYER PLAN CONFUSING--Bread and cake were served for dinner last night in most city homes and restaurants, but not because Mayor O'Dwyer's proclamation Monday establishing three wheatless meals a week was not meeting a cooperative response.

Although the Mayor had asked that evening menus on Tuesdays, Wednesdays and Thursdays omit bread, pastries, cakes and other cereal consuming foods, there was no time to settle dozens of uncertainties reminiscent of those accompanying wartime meatless days. Moreover, many meal planners already had ordered proscribed items and could not waste them.

Restaurateurs predicted that the Mayor's "Freedom From Famine" plan would take effect gradually, with full results not felt until next week.

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From the New York Journal of Commerce, May 15 -

LEGAL ACTIONS DUE ON GRAIN FUTURES, Washington - Sharp attacks against the Chicago Board of Trade for ordering grain futures contracts closed out at old ceiling prices, as well as against the Office of Economic Stabilization, which "recommended and requested" that such action be taken, are expected this week.

The Chicago Board of Trade is expected to be confronted with a legal action seeking a permanent injunction against the order closing out the grain futures contracts at old ceiling prices while OES, and possibly the Department of Agriculture and Office of Price Administration, which joined with OES in the "recommendation and request," are expected to be asked to explain themselves before a Congressional committee.

OES, USDA and OPA, in their joint statement last week, recommended and requested to the three grain futures exchanges that existing futures contracts be closed out at old ceiling prices without penalty. At the same time the three agencies suggested that all cash contracts be canceled.

As a result of this announcement the Chicago Board of Trade ordered that all existing contracts be liquidated at old ceiling prices, except May rye which it left open. The Minneapolis Chamber of Commerce flatly refused to cancel the futures and the Kansas City Board of Trade has suspended trading, except for liquidation, in the futures while its directors seek a solution to the problem.

All three exchanges agreed that they had no authority whatsoever over cash grain contracts, and there is no evidence to suggest that anyone has liquidated such contracts on the basis of the Government suggestion.

A suit is expected to be brought against the Chicago Board of Trade under the Sherman Anti-Trust Act, alleging a conspiracy to fix prices when the directors voted to close out the old contracts at old ceiling prices. The suit will seek a permanent injunction preventing the exchange from closing out the contracts at old ceilings.

Meanwhile, Representative August H. Andersen (Rep., Minn.) Senior minority member of the House Food Shortage Committee, declared that "our committee is going to see who is running the agricultural policy of the country. We are convinced the Secretary of Agriculture is not."

Representative Andresen, expressed considerable concern over the request of OES that the futures contracts be cancelled.

Economic Stabilizer Bowles may be called before the committee to explain the action, he said.

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ACRES

MAY I COTTON PLANTING SURVEY SHOWS DIP TO 18,658,000 / - Competition for labor and an unusual shortage of fertilizers has sharply reduced the estimate of acreage planted to cotton, according to the May I survey by Journal of Commerce correspondents throughout the South. Farmers are planting only 18,658,000 acres as of May I, compared with intentions to plant 19,182,000 acres on April 1, and to the 17,241,000 acres actually planted last season according to the Department of Agriculture.

The new figure shows an increase of 8.2 per cent over last season, compared with the estimated increase of 11.3 per cent on April 1. Earlier in the season, the high level of cotton prices stimulated intentions. The optimism of farmers on March 1, when an increased acreage of 14.5 per cent was foreseen, has since met with the concrete factors of unfavorable weather, poor germination of seed and the scarcity of tractors and farm equipment, along with the labor and fertilizer shortages.

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From the New York Wall Street Journal, May 15 -

COTTON MANUFACTURERS TOLD THEY SHOULD PAY MORE FOR THE STAPLE, Pinehurst, N. C. - Some 800 members of the American Cotton Manufacturers' Association at their 50th annual convention here were told by Sen. John H. Bankhead (D., Ala.) they should pay higher prices for raw cotton.

"I have felt—and still feel—that the price of cotton and the income of the cotton farmer have been too low," Sen. Bankhead asserted in a speech read in his absence. He reiterated his intention to oppose a proposed ceiling on raw cotton prices and to continue his fight for equality of agricultural income with industrial income.

He discounted any loss of raw cotton business, because of higher prices to foreign competition or synthetic fibre competition, recalling that rayon made inroads on cotton even when the latter's price was much lower. The foreign cotton trade was now complicated by Government control as well as price factors, he added.

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INDUSTRY SEES BREAD SHORTAGE CONTINUING, Chicago - The new wheat program will probably prolong bread shortages for another year.

That is the consensus of flour millers who were interviewed here at the 44th annual convention of the Millers' National Federation.

Millers say that the provision limiting their domestic flour production to 85% of 1945 will mean that flour supplies will probably not be adequate to meet all demands. In 1945, millers say, a substantial portion of their flour output was sold to the Government for Army use. Now, however, millions of men who were in the armed services in 1945 have become civilians and will have to be supplied out of the 85% quota.

The new program is expected to work particularly severe hardship on flour millers who were heavy exporters in 1945. A miller from southern Illinois, for example, said that in the summer of 1945 he did a substantial export business because it helped him obtain wheat during the period when the supply of box cars was very short.

Millers attending the convention said that the embargo on wheat shipments out of the Southwest would prolong mill shut-downs this summer.

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HERSHEY CHOCOLATE CORP. - The improved tax situation was largely responsible for the better earnings showing of Hershey Chocolate Corp. in the first quarter. For the three months, Hershey reported net income of \$2,096,316 equal to \$2.59 a share on the 685,749 shares of common outstanding. This compared with \$1,439,844 or \$1.63 a share in the like 1945 period.

The shift from the military to the civilian market has improved the profit margin. Only a small percentage of sales during the current year have been to the armed forces compared with a substantial part a year ago. The smaller profit margins prevailing during 1945 were reflected in the earnings for that year, which showed net income of \$4,876,038 or \$5.26 a common share, against \$5,413,059, or \$6.03 in 1944. Inventory position is considered good, except for sugar, which is keeping the company from getting into full production. The milk situation is favorable, and cocoa stocks are reported "fairly good."

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From St. Paul Pioneer Press, May 12 -

GRAIN FLOOD 'PLUGS' NW ELEVATORS-Grain handlers Saturday night reported a score of elevators in the Dakotas were "plugged" and unable to accept grain.

How the government will be able to move all grain offered by farmers before the expiration of the 30-cent bonus May 25 is becoming an acute problem.

Some farmers were reported to be piling wheat on the ground outside elevators.

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From The Salt Lake Tribune, May 8 -

WHEAT OUTRACK THREATENS S.L. WITH 60-DAY BAKER HOLIDAY-Unless present conditions are rectified by an amendment to, or relaxation of government regulations allocating wheat for milling purposes, Salt Lake City bakeries and biscuit companies may be forced to cease operation during June and July.

Possibility of averting or postponing this drastic action was discussed by representatives of all phases of the baking industry Tuesday afternoon in Salt Lake City.

Clarence E. Herrick, spokesman for the group, said at present there is almost no available supply of soft wheat which is used primarily in the manufacture of pastries and cooking. Also, he added, stocks of hard wheat used in milling flour for bread are rapidly being dissipated and are insufficient for current needs.

Even with public compliance with the government request for restricted use of flour, bread and other wheat products, there is less than a month's supply in Utah, said Mr. Herrick. This is not all immediately available, he explained, but the figure is based upon delivery commitments which may be altered quickly.

Consensus of the bakers was that they have supplies--on the basis of 20% to 50% reduced production--for from 10 days to three weeks.

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From The Boston Herald, May 11 -

LET'S HAVE RATIONING-Editorial-Instead of the 161,500 tons of wheat we promised, we shipped 89,000 tons. Thirty-two tons of rice went out instead of the 13,900 we pledged. Only 2,440 of 12,000 tons of fat left these shores. And that is the ignominious record of one recent week. Despite all the dark bread, all the grain bonuses, all the exhortations to conserve, we are feeding the hungry peoples with more apologies than food. We can no longer put off rationing.

The Administration has consistently resisted the institution of organized sharing because, it said, voluntary methods would be enough, and anyhow it was a very temporary crisis, that would be over before ration machinery could be put into operation. But voluntary methods are abjectly failing, and experts of the Food and Agricultural Organization of the UN foresee no end before the harvest of 1947, and perhaps not then. The emergency is neither slight nor temporary. Even if all America went on a European subsistence diet of 1500 to 1600 calories daily, we still would not have enough to feed all the hungry people.

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From The Commercial Appeal, May 9 -

GOVERNMENT DRAFTS FEDERAL-STATE PLAN OF COTTON RESEARCH-Cleveland, Miss.- A cotton research program by state and Federal agencies, financed by \$17,000,000 in Federal funds, is being planned in the Department of Agriculture and will be presented to Congress for approval, Secretary of Agriculture Clinton P. Anderson told the annual meeting of the Delta Council here Wednesday afternoon.

Elaborating on his prepared address, Mr. Anderson suggested one-third of that amount be expended for research into new uses for cotton; one-third on new and better production methods, and the remaining third on supplemental programs to bring about a better farm economy.

His prepared address had mentioned that chemical companies, manufacturing synthetic products which compete with cotton, spent 2 per cent of their gross income for research. This, applied to cotton, would mean a research fund of \$26,000,000, he said.

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From The Kansas City Star, May 12 -

FARMER AND SPORTSMAN MAY BENEFIT FROM A WILD LIFE EXPERIMENT-Jefferson City, Mo. (UP)-Missouri conservation experts revealed today they had launched the second phase of a unique experiment which, if successful, will be good news to both the farmer and the sportsman.

In a broad 2,100-acre demonstration area west of Ashland, Mo., they were trying to prove that science can go nature one better in maintaining and increasing wild life resources while at the same time making the farmer's work more profitable.

Among the measures being undertaken were terracing, control cropping, soil treatments and legume planting along fence rows and gullies--all designed to provide natural feed and covering for wild game populations and to improve agriculture.

The program was started last year to see what effect recommended balanced farming practices would have on wild game. Previously, the conservation commission had tried unsuccessfully to increase the quail population by heavily restocking for three successive years.

George Quinn, supervisor of the project, said additional ponds had been built in the area to supplement those constructed at the start of the program. In addition, trees, shrubs and aquatic plants are being introduced for food and cover for quail and other game birds.

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From The Democrat and Leader, May 7 -

IMPROVEMENTS IN RURAL RADIO STUDIED BY FCC-Washington-(UP)-Two agencies of the federal government are studying proposals that would provide increased and more suitable radio service to the nation's rural listeners.

The Federal Communications Commission is considering a recommendation that radio stations serving rural areas be given greater transmitting power in order to reach a large audience and provide clearer reception.

The Department of Agriculture in a report to the FCC said radio stations broadcasting to rural audiences should take into consideration the "likes and dislikes" of farmers in planning their daily programs.

Both agencies were in agreement that there are large areas within the country which are not receiving an adequate number of radio signals nor programs suitable to the particular interests of the rural audience.

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The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 16 -

LA GUARDIA URGES WHEAT REQUISITION-Washington-F. H. La Guardia, director general of the United Nations Relief and Rehabilitation Administration urged what be requisitioned on farms to obtain enough grain for overseas shipments.

This went beyond the plan offered by Secretary of Agriculture Clinton P. Anderson yesterday to have 25 percent of the 1946 crop set aside at elevators for purchase by the Commodity Credit Corporation, but Mr. La Guardia praised Mr. Anderson's proposal, which has for one of its aims reduction by half of the use of wheat as feed for livestock.

At a news conference, the UNRRA chief said he objected to the word "seizure" as applied to his requisitioning recommendation. He argued that the farmers would be paid for their grain while being required to market it.

The importance of actually getting the wheat was the theme of all Mr. La Guardia's remarks, which included also a recommendation for 90 percent extraction on flour as against 80 percent in the current off-white bread loaf.

He termed the Hoover report on proposed "arrivals" of wheat month by month overseas "full confirmation" of UNRRA's estimate of needs--the only trouble with them being that "the wheat just won't arrive." May arrivals would have to be shipped in April, he said, so the 630,000 tons Mr. Hoover named for UNRRA countries in May was short by about 270,000 tons.

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BRITISH FOOD HEAD REVEALS BIG STOCK-London-Revealing one of Britain's hitherto most closely guarded secrets, Sir Ben Smith, Minister of Food, stated today in answer to a question in Commons that his ministry held or controlled 3,806,000 tons of "food and feeding stuffs" as of May 1. He asserted that he was unprepared to deplete the stocks for the benefit of European countries it would mean cuts in consumption dangerous to the health and efficiency of the British nation.

At the same time the Government announced that during the next five weeks it was sending 70,000 tons of barley and 30,000 tons of potatoes to the British zone of Germany to stave off starvation reported to be threatening Germans in the area.

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250 MORE BUTCHERS CLOSE THEIR SHOPS-The dinner table was without meat last night in many homes, especially in Brooklyn, as 250 more retail butchers joined the 1,000 who had shut their shops earlier in protest against the black market in meat.

Some regular customers, however, managed to get meat at "closed" stores, which parceled it out after nightfall or had it delivered in unmarked bags. One wholesaler reported that several of the retailers, whose shops were ostensibly closed, had bought meat in the wholesale market yesterday and Tuesday. (Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, May 16 -

VOTES TO EXTEND OPA FOR A YEAR-Washington-A full year's extension of price control was approved, 11 to 5, by Senate Banking and Currency Committee today to give the Administration a victory in the first Senate test in restrictive amendments.

Meanwhile a delegation of dairy farmers sought the Senate Agriculture Committee's aid in their organized drive to have milk and its products removed from OPA control.

Charles W. Holman, Secretary of the National Cooperative Milk Producers Federation, said: "We ask an end of the subsidies and price control folly which, like the fabled Old Man of the Sea, has been riding with iron legs upon the shoulders of the American farmer."

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U.S. ACTS TO SPEED LUMBER PRODUCTION-Washington-The Government in perhaps the first use of housing subsidies, tonight announced a program designed to spur home construction by increasing lumber output.

The National Housing Agency and the Agriculture Department said the program was expected to boost lumber production more than a billion board feet-by from 250 to 300 million feet this year, and by from 650 to 800 million feet in 1947.

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FOOD WASTE SEEN IN SHORTAGE OF TIN-Spillage of "thousands of tons" of vegetables and fruits in coming months was predicted yesterday by E. A. Mayer, a Department of Agriculture official, who said that food packers throughout the country attempting to process abundant crops, are without tin plate as a result of the recent steel strike.

Mr. Mayer also listed shortages in boxes and transportation as other potential factors that threaten seriously to affect the handling of vegetable and fruit production.

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RYE OFF 5C AGAIN; 8 DAYS OF DECLINE-Chicago-May rye today closed 5 cents a bushel lower, the daily limit, for the eighth straight day on the Board of Trade. The delivery is down $43 \frac{7}{8}$ cents from the recent high. Cash rye is showing much more weakness than the May, not being limited by Exchange regulations. Twenty five thousand bushels were sold in an elevator at \$2.35 or $7 \frac{3}{8}$ cents under May. Brokers quoted car lots at 5 to 10 cents under the future, a sale being made Tuesday at the latter discount.

Minneapolis and Winnipeg May rye lost 5 cents, but there was a good demand for the deferred deliveries in the Canadian market. The finish was up $2 \frac{7}{8}$ to 5 cents. Cash rye at Minneapolis declined 10 to 15 cents and finished at \$2.40 to \$2.45 compared with a high record of \$3.03 recently.

A few trades were made in August and March new wheat contracts at an advance of 5 cents, the limit. Otherwise business in the new months was confined to oats which finished unchanged to $3/8$ cent up.

Corn was bid up 5 cents without attracting sellers and the same applied to new rye. The latter closed at the ceiling. Evening up was under way in old wheat, corn and rye contracts at unchanged prices. May and July oats held steady, but the distant months of the grain gained $3/8$ to $5/8$ cent. Barley was unchanged, with no sales reported.

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From the New York Journal of Commerce, May 16 -

NEW COTTON CROP POSITIONS EASIER - New crop positions were easier than nearby deliveries although the weekly weather report for the cotton belt was unfavorable. The active hedging in distant positions was attributed to the delayed reaction to such inflationary reports on the part of scattered outside interests.

Other factors which continue to influence the market were the delay in settlement of the soft coal strike and the possibility of a railway strike set for this Saturday. On this basis, mills remained hesitant to make commitments in near positions.

The weekly weather report stated that cotton planting was delayed in much of the South by frequent rains, particularly at the end of the week.

The crop was reported mostly in good condition. Chopping was well advanced in Southern area of the belt and planting advanced in northern areas. In Texas, squares were reported forming and some blooms appearing.

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SEES WHEAT CURBS NOT AFFECTING MEAT, Chicago - The livestock industry generally should hurdle the Government's new wheat use program with little or no effect upon the meat supply situation, industry spokesmen said today.

"If the livestock producer has been feeding wheat before, he probably did so because he found it profitable and will continue the practice so long as it is profitable," one observer commented. He added that the producer also might not have other feed supplies in sufficient amounts and could not get them.

Another said that if no wheat at all were fed to livestock it would not affect meat supplies substantially, since Government figures indicate a small percentage of the crop normally is used for that purpose.

"If any appreciable amount of wheat is being fed to live stock now," a third asserted, "it very probably is not milling quality. There always is a certain percentage of every wheat crop which does not meet milling standards and thus goes into the feed bin."

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ADVANCE EXPECTED IN FLOUR SUBSIDY - An increased subsidy will be granted flour millers to compensate for the advance in wheat ceilings, according to reports from official sources.

Extent of the increase has not been definitely determined but it was believed that it will amount to around 12c on each bushel of wheat ground for flour after making an allowance for the sharp rise in the millfeed ceiling.

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From the New York Wall Street Journal, May 16 -

MICHIGAN SUGAR CO. - Sources close to the Michigan Sugar Co., traded on the Curb, are at a loss to explain the recent flurry in its stock. With the peak of the sugar beet planting season still a week away, it is understood that plantings by Michigan Sugar Co. are "well ahead" of the 1945 season, when plantings totaled about 52,000 acres. It is much too early, however, to estimate this year's beet sugar production. The harvest will depend on such factors as how many of the planted acres will be brought through to harvest, weather conditions during the growing season and sugar content of the beet crop. Thus far 1945 proving to be a normal year for sugar beet plantings. The weather has been cold and dry, just the opposite from last year's season, which was marked by excessive rains.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce,)

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Farm Digest 1065-46-3

DIVIDING UP THE WHEAT, Editorial - Secretary Anderson's program, avowedly subject to change this fall when the season's yields here and abroad are better known, contemplates that one-quarter of the estimated billion bushel crop shall be exported. To this end farmers will be required to sell at least one-half the grain they take to country elevators and will be permitted to hold in storage not more than half. Elevators and grain dealers in turn will be required to set aside one-half of what they buy for the Commodity Credit Corporation until that government agency has filled the 250 million bushel export quota.

As yet the formal program says nothing about prices; informally, the Department says the 30-cent bonus addition to ceiling price is bringing in wheat from the farms. The bonus offer is good until May 25 and applies only to grain going into government hands for export, principally as part of our contribution to U.N.R.R.A. Now, easily remembering this over-ceiling bonus device, will farmers be disposed to rush their new-crop wheat to market or will they be inclined to hold back a good part of it on the farms and await another cash inducement? Our guess is they will know on which side their bread is buttered even before it is baked.

If the farmers manage their wheat marketing as the government—doubtless quite unintentionally—invites them to do, millers will again, or still, be short of grain to grind. They may be unable to obtain enough to produce even the 85 per cent of the flour they made in the corresponding 1945 month, as the Anderson program contemplates.

From all of which this question arises: Is government control of food-stuffs doing a better job of fostering production and distributing according to need than free markets would do? We think the answer is plain.

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CORN PRODUCTS REFINING CO. - Indications are that Corn Products Refining Co., will be back in the "black" in the current quarter. In the first three months, the firm had a net loss of somewhat more than \$1 million. This loss was the result of a strike which closed the company's plants for several weeks. Operating on corn accumulated during the strike, Corn Products so far in the current quarter has been producing at the maximum rate permitted by the Government. Under this order, corn refiners' grind is limited to 80% of the amount processed during the first half of 1945. Prospects are that the company will be able to continue grinding at the 80% rate through the remainder of this quarter. It might even do better, if, as reported in the trade, the Government decides to let the industry process some of its recently acquired corn into starch syrup and other products before exporting it to famine areas.

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RATH PACKING - Earnings of Rath Packing Co., traded on the Curb, which have been in a downward trend since 1941, are believed to be turning upward this year. The company is benefiting this year from some of the factors that pushed earnings down in 1945. Depending more heavily on pork business than the four major packers, Rath was adversely affected last year by the drop in hog marketings. In addition, price ceilings were so fixed last year that, during most of it, profit margins on pork were slim.

There is a bigger hog run to market this year and ceilings have been adjusted to place this business in a more favorable position. Another factor to Rath's advantage is that the company has only one slaughtering plant, located at Waterloo, Iowa, in the heart of the corn country. While the company has suffered from the inroads of black market buyers of cattle, it is believed its location probably has enabled it to obtain a relatively better proportion of cattle than packers with plants in the large cities, such as Chicago. Farm Digest 1065-46-4

From The Commercial Appeal, Memphis, May 12 -

INCREASING NUMBER OF U.S. FAMILIES SAY THEY ARE SAVING ON FOODS, POLL SHOWS-Princeton, N.J.-There has been an increase in the number of people who say they are doing something to save on vital foods which the Government wants for shipment to the famine areas of Europe. More than two out of every three persons (67 percent) polled from coast to coast say that their families are cutting down on food consumption, in line with the campaign sponsored by the President's Family Emergency Committee. This compares with 60 percent in late April, and 53 percent a month ago.

About half of the total number polled think that the Government is making satisfactory progress in the food campaign. Among those expressing a different view, opinion is about evenly divided as to whether the Government has gone too far, or not far enough, in its steps to obtain food for Europe.

Although Washington officials are trying to avoid a return to food rationing, the majority of Americans say they are ready to accept such a step if it is needed to make more food available abroad. Seven out of 10 in the poll approve renewed rationing for that purpose, with women more generally in favor of it than men. The women's attitude is reflected in the fact that a resolution advocating return to food rationing was unanimously adopted by the biennial convention of the National League of Women Voters last week in Kansas City.

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From The Chicago Daily Tribune, May 13 -

FORECAST DROP IN SUPPLIES OF LARD AND SOAP-Retailers supplies of lard, soap, and other products made from fats and oil will decrease this year and the early part of 1947, industry representatives predicted yesterday.

Meat black market operators are making further inroads on fat supplies already depleted by government orders to set aside about half of all lard and pork fat produced to meet world relief and export needs, industry spokesmen said.

Other reasons given for the lard shortage included the reduction in the average hog weight from 260 to 250 pounds, and a government recommendation that the marketing weight be further reduced to 225 pounds to save cereal grains for famine relief.

The only solution is elimination of office of price administration meat price controls, which will in turn eliminate black markets and place animal fats back in the hands of legitimate packers with facilities for rendering it, said packing officials. Meanwhile the housewife was advised to skimp on use of fats for cooking.

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From The Farmer's State, Alabama, May 13 -

ADVANCE DEMAND INDICATES GREATEST COVER CROP PLANTING IN STATE HISTORY-With the heaviest booking of winter cover crops seed on record, A. N. Culver, manager of the Farmers Marketing and Exchange Association, began conferences with Triple A representatives in Auburn over the weekend to work out the 1946 price structure so that purchase and distribution could begin.

Declaring that advance orders indicated the greatest cover crop planting in Alabama's history this fall, Mr. Culver expressed some concern over the price situation and the availability of sufficient quantities of seed in the most wanted varieties.

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From The Ohio Farmer, May 4 -

FACE FOOD FACTS-Editorial-The present world food situation is little short of scandalous. Not because of the shortage of food but because we let it slip up on us. Those who volunteered to guide the production and distribution of food shut their eyes and whistled in the political dark while things got progressively worse until it approached disaster proportions. Simple arithmetic should have warned them last year that this was on the way. Some conserving and preparation then would have helped more than more heroic measures now.

But the stark fact is that we are in a world food jam and millions are on the brink of starvation. We must do something about it and we will. Irritating as the hastily thought up limitations and schemes to save food may be, we will submit to them with the humane hope that it will save human lives. But we hope, we urge, we demand that those planners take their eyes off politics and face world facts and conditions. Don't let this happen again.

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From The Market Growers Journal, May -

REPORTING IN TONS-Editorial-The crop reporting service of USDA now reports production of vegetables in tons as well as in bushels and crates. This is a good idea. While we still need record of the smaller units the tonnage basis brings all of our crops to a comparable basis and helps greatly in computing totals.

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From The San Francisco Chronicle, May 9 -

LETTUCE AND FAMINE-Editorial-No one need jump to the conclusion that because some pea and lettuce fields have been plowed under in the San Joaquin valley, Greeks and Chinese are caused to starve thereby. Green peas and lettuce are not commodities useful to UNRRA; they would be most impractical to ship for famine relief.

Nor is it to be assumed that the loss of these green peas and this lettuce to us thereby reduces the amount of food we can spare to send abroad. For the bald truth about the peas and lettuce in the San Joaquin appears to be that there were too many peas and too much lettuce. It was a simple case of over production due, so say the agricultural agents in the counties concerned, to big crops, too sudden ripening caused by warm weather, and a big carryover of quick frozen peas from last season.

The growers, confronted with too many peas and too much lettuce at one time, could not sell them at any price that would justify the harvesting. Too bad, but it is one of those things that keeps the farmer's life from being too gay.

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From The Chicago Daily Tribune, May 14 -

MEAT ANIMAL SALES LARGEST IN SIX WEEKS-Farmers increased their shipments over last week of all classes of meat animals to the Chicago market yesterday. The feed situation a less favorable ratio between grain and livestock prices, and the increase in ceiling prices for corn were reported factors contributing to the larger movement from farms.

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U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

U.S. DEPARTMENT OF AGRICULTURE

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From the New York Times, May 17 -

TRUMAN REVEALS STALIN FOOD REPLY; ANDERSON TESTIFIES-Washington-President Truman disclosed today that he had received a letter from Premier Stalin, presumably in answer to queries on Russian cooperation in the anti-famine program and the extent of the Soviet wheat supply. He did not elaborate.

Since the announcement in March that Russia would ship wheat to France efforts have been made to get her into the world wheat pool.

Earlier in the day Clinton P. Anderson, Secretary of Agriculture told the House Agriculture Committee that the Russian wheat shipment to France would soon be completed. He also told the committee that the Russians were shipping food to Poland and Czechoslovakia, but that it was impossible to get supply information from Moscow.

Meanwhile, Mr. Truman defended today what this country was accomplishing in the fight against famine, showing considerable spirit in the matter when he was questioned at the news conference.

When a reporter quoted F. H. La Guardia, Director-General of the United Nations Relief and Rehabilitation Administration, as saying that this country was 600,000 tons short of its commitments on food, and asked if anything was being done to speed up shipments, Mr. Truman emphatically answered that this country was doing everything it could do about the famine situation.

The President told reporters that he thought that if they were patient the facts would soon show that things were not so bad as they were painted.

Former President Herbert Hoover, calling on President Truman, told reporters that he would start late next week on his second food-enissary tour, this time to South American countries to search for more food shipments. He named his itinerary Mexico, Peru, Argentina, Brazil and Cuba.

Further defense of the United States' role in the famine situation also developed before the House Committee on Agriculture. Opening a hearing into the food situation, Chairman John W. Flannagan Jr. of Virginia announced that its purpose was "to suppress irresponsible talk" that this country was not meeting commitments. This talk, he said, "is doing irreparable harm here and abroad."

Mr. Flannagan at first referred to these statements as coming from "those who, while they have high places, have nothing to do with food" and who were "from the sidewalks of New York and elsewhere," but he later said he was "putting the finger on the Department of State, the UNRRA and Mr. La Guardia."

The only witness before the committee today was Secretary Anderson, introduced by Chairman Flannagan as a source for "the true food situation as it exists today."

Mr. Anderson said that this country would fall only 8,000,00 bushels short of meeting by June 30 this 400,000,000-bushel commitment in a total world pool of 950,000,000 bushels. Mr. Anderson mentioned a "squeeze play" on the British and said that "we feel their stocks could be drawn down somewhat farther."

Representative Clifford R. Hope, Republican, of Kansas, read a letter from a constituent which called the recent Government bonus of wheat, following an earlier campaign to induce farmers to sell without bonus to feed the hungry, "the greatest double-crossing any group ever got from Government."

(Turn to page 2 for other items in today's N.Y. Times.)

From The New York Times, May 17 -

COTTON PRICES UP 9 TO 11 POINTS-Cotton futures prices moved over a fairly wide range, and closing prices on the New York Cotton Exchange yesterday were 9 to 11 points higher than on Wednesday.

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RYE MOVES DOWN NINTH DAY IN ROW-Chicago-May rye continued today on the down grade on the Board of Trade, breaking the 5-cent daily limit for the ninth consecutive day, and finished at the bottom at \$2.37 3/8 a bushel, 48 7/8 cents under a recent high mark. Speculative longs found support limited. Cash rye in elevators sold at \$2.28 to \$2.29. There was some spreading between May rye and corn the latter being sold at \$1.36 1/2, or 10 cents under the coiling order to induce buyers to take the rye.

New wheat contracts advanced the limit of 5 cents, as did corn while the old were unchanged, distant deliveries of new oats turned weak in the late trading and finished with losses of 1 to 1 1/2 cents, while the old were down 1/8 to 3/8 cent. No interest was shown in barley, with prices unchanged.

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STRICT RATIONING URGED BY LEHMAN-Stringent rationing "on both the consumer and producer level" of oils, fats, wheat, certain dairy products and meat, was urged yesterday by Herbert H. Lehman, until recently the director general of the United Nations Relief and Rehabilitation Administration in an address in behalf of the American Committee for Yugoslav Relief.

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WHEAT LOSS THREATENED BY DROUGHT IN UKRAINE-Moscow-A serious crop failure is possible in the Ukraine unless rains comes within the next two weeks, according to Marshall MacDuffie and John S. Fischer, members of the United Nations Relief and Rehabilitation Administration mission, who arrived in Moscow today.

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RESTAURANTS PLAN TO AID FOOD SAVING-Leaving the problem of a bread substitute to the individual restaurateur, representatives of every type of city eating house settled yesterday on a formula for comppliance with Mayor O'Dwyer's food saving proclamation.

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FOOD CAMPAIGN EXTENDED-The contribution of 3,888 cans of various types of food by the girls of the Cathedral High School in the Archdiocese of New York, called attention yesterday to the one-week extension of the campaign for 5,000,000 cans under those auspices.

As part of the nation-wide effort of the National Catholic Welfare Conference to obtain 24,000,000, cans of food for shipment overseas, the Rev. Michael P. O'Shea director of the campaign here, announced that almost 300,000 cans had been received at the collection depot for the archdiocese up to noon yesterday.

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From the New York Wall Street Journal, May 17 -

SOUTHERN OWNERS SELL COTTON MILLS FAST AT BIG PROFIT, Pinehurst, N. C. - Cotton mills are selling like hot-cakes south of the Mason-Dixon Line. Buyers are plentiful and eagerly plunk down high prices. The sellers are mostly Southerners,....selling for keeps. Others hope to buy mills back in later years when the inflation....has spent its force.

One cotton mill owner, says Robert Hanes, president of the Wachovia Bank and Trust Co., of Winston-Salem, bought his mill for about \$250,000 over a decade ago and sold it recently for \$4 million.

Problems caused by new Northern ownership in Southern communities are discounted by North Carolina's Governor R. Gregg Cherry, once a mill executive.

Not so casual a view is taken by the Wachovia Bank & Trust Co.'s president however. Mr. Hanes says it means a loss of some financial business to local banks, and a loss of leadership in community affairs.....

Some old-line mill owners....also feel the northern mill owners may help the present unionization drive of labor groups. They declare these owners desire cloth immediately; and at almost any cost, and would not shut down mills to resist unionization.

Almost every week some mill changes hands for several million dollars. Dozens have been sold in the past few months. About 15% of the loom capacity of some 1,200 cotton textile mills have changed ownership in recent years, according to the Cotton Textile Institute.

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SOUTHERN TEXAS VALLEY YIELDS 20% OF HER FARM INCOME, Brownsville, Tex. - The brightest point on the Texas star is a former thornbrush wilderness at the state's southmost tip that is now the lush Lower Rio Grande Valley.

This magic valley, isolated from the rest of Texas by hundreds of miles of chaparral (dwarf-tree thicket) wasteland, is the Lone Star state's wealthiest agricultural area. Comprising less than one-sixtieth of the state's 265,000 square miles, it is yielding one-fifth of Texas' total income from agriculture.

It is a subtropical zone of almost perpetual summer which permits 12 months of continuous crop production on its 350,000 irrigated acres, transformed from semi-desert to green gold by the waters of the Rio Grande.

Citrus trees in the valley number more than 10 million and occupy 150,000 acres. These groves represent a value of \$1,000 to \$1,500 an acre with an annual earning capacity at present market prices of from \$750 to \$1,000 per acre. Returns from vegetable acres, under year-around cultivation, are only slightly smaller.

Total value this season of the citrus fruit shipments touched a new high of \$50 million. In the season just closed, the equivalent of 100,000 freight carloads of vegetables and fruit were sent out of the valley by train, motor trucks and boats.

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CRITICIZES POLICY OF GOVERNMENT ON SUGAR - Sharp criticism of the Government's sugar policy was voiced yesterday by Ody H. Lamborn, president of Lamborn & Co., sugar brokers, in a study of the current sugar situation which recommended more direct efforts to increase production.

Pointing out that the continuing shortages limiting U.S. rations to their low point of the war period, of 73 pounds per capita for 1946, he gave little encouragement for an improvement in the sugar situation during the next two years unless the Government takes direct steps to increase production.

(Turn to page 4 for other items from today's N.Y. Wall Street Journal.)

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Farm Digest 1075-46-3

From the New York Wall Street Journal, May 17 -

CUBA WOULD NEGOTIATE PRICE ON 1947 SUGAR, Havana - At a conference of representatives of all branches of the sugar industry it was unanimously agreed to make a counter offer to the United States covering the sale of the 1946 and 1947 Cuban sugar crops.

Under the proposal, Cuba would sell to the United States the 1946 crop at 3.67½ cents, the tentative price already agreed upon for that crop, with the proviso that prices of basic foodstuffs supplied to Cuba will not be increased this year. The price on the 1947 crop would be fixed in December in accordance with the value of the products that Cuba imports from the U.S.

It was announced that the Cuban sugar delegation will be in Washington next Monday or Tuesday to discuss the situation with U. S. officials.

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94% FLOUR MILL SHUTDOWN PREDICTED, Chicago - With 8% of the nation's flour mills shut down, 35% are expected to be closed by May 22, according to a survey by the Millers' National Federation of more than half the industry's capacity.

Herman Steen, Federation vice president, said lack of wheat will force 81% of the mills to close by May 29, and June 4 will find 94% of the flour milling industry shut down. Mills will be unable to reopen until they get new crop wheat.

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HAWAIIAN PINEAPPLE CO., LTD. - As the principal producer of pineapple products, with distribution through firmly established trade connections, Hawaiian Pineapple Co., Ltd., is in a strong marketing position. Despite rising costs and an uncertain price structure, Henry A. White, president, says the management, says the management is "optimistic" about the company's future. Progress has been made in readjusting operations to a peacetime basis, although a program designed to improve efficiency and working conditions has been retarded by shortages of labor, materials and equipment. The company's crop is in good condition, and the harvest this season is expected to be the best in at least three years.

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From the New York Journal of Commerce, May 17 -

THE BUTTER SHORTAGE, Editorial - Milk production this year is running only slightly below the record level of 1945. Purchases of dairy products by the armed forces are sharply reduced. Nevertheless, the butter supply per capita will be about 10 per cent less than last year, the Bureau of Agricultural Economics forecasts. A slight increase in butter production over the next few months will be offset, it is predicted, by a lower level of output in the latter part of the year.

Butter supplies this year are expected to decline to 10 pounds per capita. This represents a 40 per cent cut from the 16.7 pounds average of the period 1935-1939.

There are two ways to relieve the acute butter shortage. One is to make production of this product relatively more profitable by granting a ceiling price increase. The other is to restore wartime limitations upon production of ice cream and whipping cream, which the Office of Economic Stabilization has ordered but has not yet put into effect.

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From St. Paul Pioneer Press, May 14 -

U. S. GRAIN PRICE DEAL UNFAIR, FARMER SAYS-Montevideo, Minn.-The government's increase in ceiling prices of grain which became effective Monday was a "most unfair deal" to all farmers who acted in response to government pleading and sold their grain in the "mercy wheat" program between April 28 and May 13, A. J. Williams said here Monday.

Williams, veteran of World War I, a former vocational agriculture instructor and Minnesota farm owner, issued his statement here under the heading "Penalty for Patriotism and Government-Request Cooperation."

"Did those farmers who gave their cooperation to the government get a fair deal by selling their grain when two weeks later they could have had from 5 to 25 cents more per bushel?" Williams asked.

He suggested that the ceiling increase should have been made on a retro-active basis so that increases would be paid upon the entire 1945 crop.

Williams, declaring that he is among those farmers who have willingly cooperated with the government's AAA program, said that farmers have been done another injustice by the inference that all are receiving a 30 cents per bushel bonus for selling corn now.

"Qualifications for corn are such that 90 to 95 per cent of the corn cannot qualify for the bonus payment," he said.

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GOOD TRICK OF THE WEEK-Editorial-The proposal of the Lehman-Picket group that America increase its wheat export program for the period April 1 to June 30 from 125 million bushels to 250 million, is well intentioned but not well considered. It belongs in the class of tricks that would be good if they could be done.

On April 1, there were 238 million bushels of wheat in this country. The normal disappearance in consumption is around 45 million bushels. Assuming that only 50 million bushels have been consumed since April 1, the committee is asking for the export of at least 62 million bushels that do not exist.

A little of the winter wheat crop starts to appear in late June, but the new crop year does not really start until July. The further relief of world famine out of American wheat will have to depend on the fate of the new crop and on what the American people do to cut down their own use of wheat.

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From Detroit Free Press, May 15 -

FAMINE MARCHES ON-Editorial-The overshadowing effects of the coal strike, immediately preceding the present "truce," tended to cloud interest in numerous over vital matters. One of these was world famine.

Former President Hoover's return to the United States after a fifty-three-day air tour of the stricken lands helps to bring this life-and-death matter back into sharp focus. The extent and severity of suffering which his mission found are vividly apparent in his report to President Truman.

As if the world were not already deep enough in his debt, the former President has agreed to add South America to his itinerary to enlist stronger support for the food program. In the twilight of his life, Hoover is adding new dimensions to his stature as a humanitarian.

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From Chicago Journal of Commerce, May 15--

HOOVER FOOD REPORT-Editorial-Herbert Hoover has made his report to President Truman on the world food situation after a 35,000-mile survey. The picture the former President draws can be accepted as accurate.

While the outlook is dark, Mr. Hoover's estimates of minimum requirements from May 1 to Sept. 30 represent a considerable reduction of those needs as hitherto stated. The world deficit, estimated at 43 per cent by the combined food board at the time the survey began, is now put at 24 per cent.

"The dominant need for the world in this crisis is cereals, particularly wheat and rice," the Hoover report states. "There is great need of fats and special food for children. But as cereals can furnish 85 per cent of an emergency diet, we considered cereal requirements were the first concern and the best indicator. If a foundation of bread can be assured, and as much fats and children's food as possible, mass starvation can be prevented."

There has been a great outpouring of food relief propaganda in this country, some of it bordering on hysteria. Mr. Hoover is confident that voluntary measures on our part, plus the help of other nations, will suffice to avert mass starvation overseas. His sober report is a contribution to sound thinking about world food problems.

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From The Kansas City Star, May 14 -

A MEAT PACKER QUITs-Dwindling meat supplies caused the Maurer-Meuer Meat corporation today to notify approximately 1,000 retail dealers in Kansas City and the trade territory that all meat deliveries from its packing house will cease May 22 until further notice.

Arthur B. Maurer, president, said today the sausage processing plant at 1121 East Twelfth street will close tomorrow night and 160 employees will be laid off until enough meat is obtained to resume processing. Deliveries from storage will be continued one week.

The company, largest independent meat packer in this area, is the first packing firm to plan to stop deliveries completely. It operates a beef slaughter house in Kansas City, Kansas, and a hog plant in Arkansas City, Kas. Both will continue processing a limited operations, Maurer said.

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From The Times-Picayune, May 14 -

STUDY PROPOSED FOR VETERINARY-Abbeville, La.--Establishment of a school for veterinarians either at Louisiana State university or at Southwestern Louisiana Institute was recommended by the Vermillion Parish Cattlemen's Association, who met on the Agnes Plantation near here following a pasture tour of several outstanding farms in the parish.

R. Watkins Greene, president of the cattlemen's association, and the other officials of the organization pointed out that sons of several of the local cattlemen were planning to enter veterinary schools but that the out-of-state schools were unable to accept any more students and that there is no veterinary school in the state.

State Representative Gabi Maraist of Vermillion parish, who attended the meeting of the cattlemen, was urged to introduce a bill in the present session of the state Legislature to have the state establish a veterinary school in one of the Louisiana colleges. The resolution asking for the establishment of the school was also sent to the officers of the Louisiana Cattlemen's Association with a request for their support.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409-A. Phone Gene Harrison at 6212.)

From The New York Times, May 20 -

18 NATIONS TO PLAN FAMINE FIGHT TODAY - Washington - A conference of eighteen nations and several international organizations, advanced many months by the increasing urgency of the world food situation, goes into emergency sessions tomorrow to devise a "positive, definite, concrete program" for meeting immediate critical famine problems, and to develop long-range plans for the abatement of hunger in the world.

Called by Sir John Boyd Orr, director-general of the Food and Agriculture Organization of the United Nations, the meeting, it is believed, will reflect the emergency concern of food and economic officials representative of almost the whole world.

In issuing the emergency call, Sir John outlined the following three "lines of action" to which the conference will adhere:

1. Measuring, on a world-wide basis, the near-term supply-and-demand situation in food, and making arrangements for a continuous review of stocks and needs as the situation changes;

2. Recommending ways of using to the best possible advantage, current supplies of food, and of attaining maximum output, especially of critically needed foods, in 1947, and

3. Working out with FAO-member governments a "unified international program, both for treating the ills of the present emergency, and making the transition to the world food policy which has as its objective the correction of economic and agricultural maladjustments making for chronic hunger, famine, shortages and surpluses."

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WALLACE PRAISES FOOD DRIVE GIFTS - The appeal for gifts for the hungry and starving millions overseas is being met by the American people with more than traditional generosity, Secretary of Commerce Henry A. Wallace, national chairman of the Emergency Food Collection drive, announced last night.

He said that since the drive opened eight days ago 500 communities had organized officially to help in the campaign, and that appeals for funds with which to buy gifts of food for shipment to famine areas were now under way and in more than 6,500 cities, towns and villages. He added that additional local chairmen were being enlisted daily.

Mr. Wallace noted with gratification that in each mail checks and money orders payable to Lee Marshall, executive director, were being received at the national headquarters of the Emergency Food Collection, 100 Maiden Lane, New York.

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BRITISH PAPERS HIT NEW WHEAT GRANT - London - British newspapers warned today that diversion of an additional 200,000 tons of wheat to near-famine areas would mean black market bread, drastic reduction of cookies, cakes and cereals and severe penalties for waste.

The announcement by the Lord President of the Council, Herbert Morrison, of the new British wheat pledge would force more food conservation measures, these dispatches said. Policital sources said the Cabinet probably would increase the flour extraction rate from 90 to 95 percent--making the darkest bread in 50 years--and limit cereals to children and to adults with medical certificates.

(Turn to page 2 for more items from today's New York Times.)

From the New York Times, May 20 -

SHORTAGE OF BREAD VIEWED AS CERTAIN - Chicago - Government buying of cash wheat for shipment to Europe and the Far East, coupled with an extension of the buying program into the new crop year, which according to trade usage starts on July 1, has thrown the domestic situation into a chaotic condition and one that brokers expect will continue for some time to come with a shortage of bread regarded as almost a certainty.

Many mills have closed as the result of inability to obtain wheat in competition with the Government, which is paying 30 cents a bushel over the new ceiling price that became effective on May 13. More mills will close this week, and virtually all will shut by June 1 unless the Government allocates grain to them to be ground for the domestic trade.

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LARD SUPPLY, FAR SHORT, TO GROW TIGHTER: GOVERNMENT TAKING 60% OF U.S. OUTPUT - Chicago - With the Government taking an estimated 60 percent of the Federally inspected output of lard, supplies of that commodity available for domestic distribution are running well below requirements, and a shortage in vegetable oils used for shortening and margarine is having a tendency to tighten the situation further.

Supplies of all oils and fats for soap-making and other uses also are short, and it is the general belief of the provision trade that it will take some time for the situation to right itself.

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DECLINE IS SHARP IN COTTON PRICES - Futures prices on the New York Cotton Exchange showed net declines of 15 to 44 points for the week at the close of trading on Saturday.

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PLAN KEPT TO SPUR LOW COST CLOTHING - Washington - The Government's program to relieve the shortage of low-cost clothing by quantity production is to be continued with only minor revisions in July, August and September, John D. Small, chief of the Civilian Production Administration, said today.

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CRISIS IN BEEF - Editorial - With about 75 percent of the nation's beef at retail levels having passed to the control of black marketers, the time is at hand when definite steps should be taken to restore that essential product to legitimate channels of trade if one of the world's finest food distributing systems is not to be damaged irreparably.

Many of those who have studied the meat problem now believe that the only solution lies in eliminating meat controls so that free competitive forces can again assert themselves. In that way, they argue, the makeshift operators soon would be eliminated and meat returned to normal distributing channels. Since operations through legitimate channels would be more efficient, they believe that prices would adjust themselves at lower levels than those now being paid for the greater part of the meat that is available.

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From the New York Journal of Commerce, May 20 -

MARCH CORN FAILS TO HOLD AT CEILING - Inability of March corn to hold at the new ceiling reached during initial transactions featured trading in grains at Chicago on Saturday.

January corn ruled at the ceiling throughout the session and the failure of the March to hold there was a surprise to many in the trade as the supply position remained extremely tight with country offering to-arrive amounting to only 10,000 bushels.

There was nothing in the news to account for this action and the selling apparently was predicated on the belief that a normal yield on the large expected acreage would materially alter the supply-demand situation next season, particularly in view of the prospective reduction in feeding requirements.

Further rains were reported from important corn and oats producing areas and scattered showers were predicted for dry winter wheat sections in western Kansas and Oklahoma.

Six cars of new wheat reached Forth Worth and early harvested wheat in Oklahoma was reported to be of excellent quality.

Traders were closely watching European crop advices as the outcome of the grain harvest there will largely determine extent of demands upon new crops here and the duration of Government restrictions.

Considerable attention was attracted by reports of a drouth in the Ukraine, the most important producing section in the Soviet Union, but this was partly offset by favorable soil conditions in other Soviet areas and indications of a larger acreage. Beneficial rains fell in parts of the United Kingdom where it has been much too dry and cold recently, while France and French North African colonies were reported to have received excellent rains.

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RUSSIA PLEDGES GRAIN TO 4 EUROPEAN NATIONS, London - Russia pledged more than 1,100,000 tons of grain to four European nations during a year although her own food supplies still are limited, a Soviet broadcast said yesterday, and in Moscow the press summoned peasants to sow grain quickly and well.

The broadcast on Soviet food promises to France, Poland, Romania and Finland followed reports that Prime Minister Stalin had turned down President Truman's appeal to co-operate with the United States and Britain in battling world famine.

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From the New York Wall Street Journal, May 20 -

GROCERS SOON TO GET ORANGE JUICE IN POWDER AND CONCENTRATED FORM, Boston - Within the next few weeks there will appear on the shelves of retail stores in certain areas of the United States an orange juice concentrate, and shortly thereafter a powdered orange juice, products of Vacuum Foods Corp. (formerly Florida Foods, Inc.), an affiliate of National Research Corp. of Boston.

Produced by the high vacuum dehydration process developed by National Research Corp., the orange juice powder is called the only product of its kind. The high vacuum process, which requires no heat, enables the dehydrated product to retain its original flavor and vitamin content. The concentrate is converted into juice by the addition of water.

(Turn to page 4 for other items from today's N.Y. Wall Street Journal.)

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Farm Digest 1085-46-3

From the New York Wall Street Journal, May 20 (Cont.) -

SLAUGHTER QUOTAS FAIL TO KILL BLACK MARKET, MEAT INSTITUTE CHARGES, Chicago. Slaughter quotas, presented by the O.P.A. as a cure for the black market in beef, have failed completely, the American Meat Institute charged in a statement.

"The legitimate meat packing industry now is producing beef at about one-fourth of its normal operating capacity," according to the Institute, "although every effort has been made to increase production and remain within O.P.A. price compliance ranges in the purchase of cattle."

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GENERAL FOODS CORP. - Although its sales are holding remarkable well in the face of raw material restrictions, indications are that earnings of General Foods Corp. in the second quarter will be substantially below the 76 cents a share reported for the like period of last year. For the first six months, however, profits are likely to be fairly close to the \$1.44 a share earned last year, as a result of the increase in the first quarter this year. The declining profit trend reflects in the main the continued rise in costs....

Meanwhile, the closing of nine of G.F.'s cereal and flour plants was narrowly averted recently when the Government turned over to the company for grinding corn destined for Europe's famine area. Its flour mills are also working for the Government grinding wheat into flour for shipment abroad. Despite the 25 cents a bushel increase in the corn ceiling price, G. F. has not been able to accumulate much corn for civilian use. On two days last week it was able to buy a total of only 500 bushels. Its corn mill plant at Kankakee, Ill., has a capacity of 30,000 bushels a day.

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FARM EQUIPMENT STRIKES HOLD DOWN FOOD PRODUCTION, Chicago - Reduced production by the farm equipment industry, as the result of strikes, will be reflected in reduced food production for many months.

Five of the seven major "long line" farm equipment producers have had long strikes since November 1, 1945, the beginning of the fiscal year for most companies. The longest of these strikes, at the J. I. Case Co., began December 26 and is still in progress at the company's plants at Racine and Rockford. The company's plants are in operation at Rock Island and Burlington, Ia.

Alva W. Phelps, president of the Oliver Corp., said that if his company were able to run at capacity all this year, it would produce over \$60 million worth of farm equipment. Because of strikes in Oliver plants and lost production due to material shortages, which have resulted from labor troubles in other firms, Mr. Phelps said that output has already been cut so much it won't exceed \$40 million.

Allis-Chalmers Manufacturing Co. was first hit by strikes about the middle of March and by May 1 seven of its eight plants were closed. The only plant in operation is the factory in Oxnard, Calif. which has about 60 production workers. The company's total employment, prior to the strikes, was about 30,000 of which around 20,000 were production workers.

International Harvester Co., which had a strike that lasted over 12 weeks and halted production of farm equipment, figures that output will be cut by \$125 million to \$175 million this year as a result of its own labor difficulties and those in the plants of its suppliers.

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From The Christian Science Monitor, May 15 -

DROP IN BREAD STOCK SEEN BY FOOD INSTITUTE-New York-Despite factors which would seem to point to easing of the wheat scarcity, the nation faces a bread shortage in less than 10 days, according to the American Institute of Food Distribution.

Harvesting of the winter crop has been started ahead of time to meet the urgent need of starving peoples all over the world. This, however, will not greatly alleviate the domestic wheat shortage inasmuch as the Government by means of premium payments to farmers, will be able to corner much of the wheat for export, the Institute says.

One large flour mill in Minneapolis has already closed down for lack of wheat and others plan to suspend operations soon, the Institute says.

Announcement by Clinton P. Anderson, Secretary of Agriculture, that millers will be allowed to distribute 85 instead of 75 percent of 1945 production after July is "pure illusion" according to the Institute. Millers cannot now get the 75 percent they are authorized to grind because of the volume of Government purchases, it adds.

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From The California Cultivator, May 11 -

A CALL TO ARMS-Editorial-With millions of starving persons in all corners of the earth, it is imperative that drastic steps be taken to conserve every ounce of food produced for human consumption. Predatory animals, rats, gophers, and weevils take an annual toll of vast amounts of foodstuffs. At any time, this is an economic waste; right now, it is appalling to have these four-footed saboteurs feasting on the fat of the land while human beings die for want of a crust of bread.

The President's famine emergency committee has outlined a program of production and conservation which deserves the wholehearted support of every American. The nation's farmers have been asked to plant record acreages; housewives to avoid waste--especially of wheat, fats and oils. However, no matter how much is raised or how much is saved, the program will fail unless we really crack down on the hijackers of the animal kingdom.

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From The Commercial Appeal, Memphis, May 15 -

BARTER IS ONLY WAY SOME COTTON FIRMS THRIVE-Pinehurst, N.C.-The cotton textile industry is turning more and more to barter in order to obtain supplies and merchandise its produces, members of the American Cotton Manufacturers Association relate as they talk trade problems between convention sessions.

An insulated wire manufacturer, his production nearly at a standstill because of the lack of cotton insulation, recounts how he obtained his last supply. He is in Pinehurst attempting to find a mill operator who will supply additional material. His story is:

Unable to buy the cotton thread used in insulation, he found a mill operator who told him that he would supply him if, in turn, he could get him starch to use in other mill operations. Going to the manufacturer of starch he was told that there was none available, but that if he would buy the corn, the starch manufacturer would deliver a certain amount of starch for each bushel of corn. Finding the corn he was compelled to purchase wheat to substitute for feed for the farmer from whom he bought the corn. But he finally obtained the thread necessary for his insulation. This time he has received an offer to supply his yarn needs if he will pay for the material with rubber-coated cooper wire an item which the mill operator prefers. - - -

From the Kansas City Times, May 15 -

WHEAT TIP GOES SOUR, Washington - Mishandling of the administration wheat purchase program has left the farmers of the nation discouraged, confused and bewildered, Representative Frank Carlson of Kansas, Republican, told the House today.

His remarks were prompted by a letter which he placed in the Congressional Record. The letter, sent to a Kansas wheat producer by the Agricultural Adjustment agency, advised the farmer to sell his grain "at this time, before March 1, 1946."

The agency notified the farmer that his wheat loan was being called, made under a contract based on a June 1 termination, said Carlson.

"Now, let's analyze what has happened since March 1 in regard to wheat prices," Carlson continued. "First, wheat prices were advanced 3 cents a bushel. Second, the farmers were authorized to sell on a certificate plan accepting any sale date before March 31, 1947. Third a bonus payment of 30 cents a bushel was made. Fourth, wheat prices were advanced 15 cents a bushel.

"All of this occurred within forty-five days, I hope the Congress will give consideration to the bill sponsored by Representative Clifford Hope of Kansas, Republican, for making these payments retroactive to the first of the year.

"This, of course, is unfair to thousands of wheat growers who would gladly have held their wheat until after the first of the year, but were advised and assured by the Department of Agriculture and the OPA that there would be no wheat price increases.

"The mishandling of the purchase program is no credit to any federal agency."

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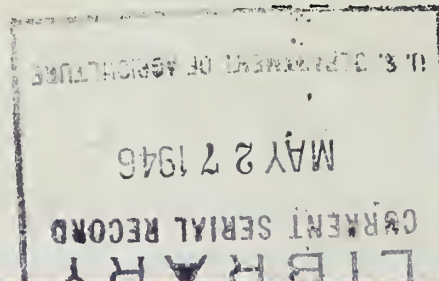
A NEW ERA FOR FARMS - Science will do much to improve agricultural industry in the next five or ten years, Dr. Charles Shrewsbury, chairman of the agricultural chemistry research section of the Midwest Research Institute, told members of the Business district league last night.

"Too much emphasis has been given to the development of industrial products from farm products," he said, "and it isn't generally known that science considers agriculture a vital industry and is striving to improve its general efficiency."

He said the first point was construction of buildings and machines to make farming more efficient. As an example he spoke of an experimental machine which would cut hay, dry it, bale it and toss it into a wagon in one operation.

He said scientists determined that nearly 80 per cent of the nutritive value of hay was lost in the sun-drying process. In conservation, he said present step toward scientific feeding of livestock were only the beginning and that ways would have to be found to prevent excessive feeding of high-cost protein feeds.

Conversion has received the widest public notice, he said. The institute is taking a conservative but optimistic position on conversion of farm produce and waste products into industrial articles, he said, and emphasis is being placed on practical projects.



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DAILY FARM NEWS DIGEST
(For May 21, 1946)
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250000 (The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 21 -

HOOVER ASKS NEW AID UNIT, END OF WORLD FOOD CHARITY-Washington-Herbert Hoover, honorary chairman of the United States Famine Emergency Committee, called today for "drastic reorganization" of world food programs. He proposed a new international food agency empowered to deal with immediate problems, the ending of the United Nations Relief and Rehabilitation Administration by Sept. 1 and the normal restoration of "normal" commercial world trade in food and agriculture supplies.

"The world must quit charity as a basis of widespread food distribution," he declared. "I cannot emphasize too strongly that charitable distribution is hugely wasteful and inefficient. Charity should be organized separately. Nations should from Sept. 1 forward finance their own food purchases by other means than charity."

Addressing representatives of twenty-one nations at the opening session of an emergency conference of the United Nations Food and Agricultural Organization Mr. Hoover, recently back from a survey of the world food situation, predicted that the "immediate world crisis" would be over by the beginning of September and suggested that his proposed United Nations Food Administration take over all food relief and reconstruction activities at that time.

In a message read by Secretary of Agriculture Anderson, President Truman stated that the world-wide shortage of cereals would not be ended by the harvest this fall and that scarcities of livestock products would continue "for a long time."

Mr. Hoover's appraisal of the world food situation was the most optimistic of the day. It contrasted sharply with that of both Sir John Boyd Orr, Director General of the FAO, and Mr. Anderson.

Sir John predicted a world shortage for three or four years. Mr. Anderson warned that problems of the coming winter and spring months would be "quite as serious as we now encounter."

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INDIA'S FOOD NEEDS CALLED DESPERATE-Sir Rameswami Mudaliar, here from India to convene on Saturday the second session of the Economic and Social Council of which he is president, expressed concern yesterday over his country's "desperate" food situation.

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DROUGHT CUTS AUSTRIAN CROPS-Vienna-The Department of Agriculture announced today that Austrian crops, even under favorable weather conditions, would not supply more than 60 percent of the country's essential needs. A severe drought in the eastern provinces has ruined nearly 90 percent of the expected grain harvest it was said.

(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, May 21 -

MORE POTATO USE IN U.S. PROPOSED-Potatoes will be urged upon consumers throughout the nation in a Government backed program aimed at placing history's biggest potato crop on American dinner tables so that more grains may be shipped to famine-stricken areas abroad.

The campaign began yesterday with pledges of support from officials of the Department of Agriculture and representatives of the food distribution industry at a meeting in New York.

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DROUGHT HITS CROPS IN AMERICAN ZONE-Berlin-Dry weather in the American zone has forced downward revisions of earlier crop estimates. Lieut. Gen. Lucius Clay's weekly military government report said today.

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FOOD: THE LONG HAUL-Editorial-Next year's hunger, not this year's, is the subject of a conference which opened in Washington yesterday under the auspices of the Food and Agriculture Organization of the United Nations. This year's hunger is largely the problem of UNRRA, the Combined Food Board and the Food Committee of the Emergency Economic Committee for Europe, all of which as FAO Director General Sir John Orr reminded the conference, are scheduled to go out of existence at the end of the current year. But the food emergency, despite the "breathing spell" which former President Hoover hopes for in September, will not end with the current year. The best that FAO can foresee is that it will "remain critical in one way or another for the next four or five years."

FAO is instructed to study, report and advise, but it has no executive functions. Hence there is need for a permanent executive agency, as Director General Orr and Mr. Hoover have both pointed out. In the long run, no doubt, Mr. Hoover is right.

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PRESBYTERIANS VOTE \$250,000 FOR FAMINE -The Board of Foreign Missions of the Presbyterian Church in the United States of America, at its meeting yesterday announced the allocation of \$250,000 for famine relief.

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VIENNA SEEKS WAY TO GET FARM FOOD-Vienna-Austrian headquarters of the United Nations Relief and Rehabilitation Administration conferred with Austrian representatives today on the problem of hidden food reserves. The estimate that Austria is capable of providing only 230 calories a day until the harvest is believed too low.

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OPA RULES ON BREAD SERVINGS-Washington-Restaurants not only can reduce bread servings without cutting prices, they can skip wheat products entirely if customers don't object. The Office of Price Administration made this clear today in reaffirming the agency's earlier action permitting smaller bread portions at no change in prices.

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From the New York Journal of Commerce, May 21 -

MARKET OPTIMISM LIFTS COTTON PRICES - Prices gained more than \$1.50 a bale in an optimistic session on the New York Cotton Exchange yesterday.

Traders were influenced by Washington reports that settlement of the railway strike appeared likely before the end of the five-day truce this Thursday and that the Federal Government would seize the mines before the soft coal truce terminates at midnight this Saturday. A gradual upward movement of prices was registered throughout the day.

Mill demand increased slightly on the same reports. Even more influential on the trade, however, were the later reports of restrictive amendments to price control legislation proposed by Administration leaders in the Senate. An amendment providing for the gradual removal of price control over a period of one year after June 30, 1946, was submitted by Senator Barkley. The Banking and Currency Committee of the upper house will vote on the decontrol amendments today.

New crop months were firm on reports that unfavorable rains might lead to abandonment of some of the increased acreage. Over the week-end, rain was reported in the eastern belt. It was known that a shortage of seed would lead to difficulties where replanting became necessary.

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MAY RYE RALLIES AFTER INITIAL DROP - After again dropping the 5c limit during initial transactions the Chicago May rye future rallied sharply during the afternoon in the wake of strength in cash and other futures markets and rose 10c from the low to finish with a net gain of 5c.

Easiness which had featured the March corn delivery on Saturday was also reflected by the January position yesterday with losses averaging about 1c on commission house selling attributed to beneficial rains in the commercial corn belt expectations that the prospective reduction in the livestock population will materially reduce feeding demands for that grain.

Rains also extended over considerable areas of the southwestern winter wheat belt and in parts of the Northwest.

New wheat and rye futures were at ceilings, unchanged from Saturday...

The Argentine Government estimated the 1946 wheat crop there at 143,500,000 bushels, a drop of 6,000,000 from the previous estimate, and far below normal. It was reported that the remaining wheat surplus in that country was very small and largely contracted for.

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VISIBLE WHEAT, CORN SUPPLIES RISE SHARPLY, Chicago - Visible supply of wheat increased 2,432,000 bushels to 19,420,000 bushels this week, the Board of Trade reported today.

Corn increased 3,939,000 bushels to 24,620,000; oats decreased 2,631,000 to 8,394,000; rye decreased 23,000 to 580,000, and barley decreased 374,000 to 5,913,000.

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DOWNWARD TREND IN EGGS CONTINUES - With Western markets weakening and country prices somewhat lower more eggs were coming this way and weakness was becoming more pronounced here. This is particularly noticeable in nearly large browns and in mixed colors, both of which dropped rather substantially in price. Fancy large whites, however, were about sustained.

(Turn to page 4 for other items from today's N.Y. Journal of Commerce,)

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Farm Digest 1095-46-3

From the New York Journal of Commerce, May 21 (Cont.) -

WHEAT REPLANTING ORDERED IN RUSSIA, Moscow - Prime Minister Stalin ordered today the compulsory plowing under of all non-productive winter wheat lands and their replanting with spring wheat for midsummer harvest.

Two American UNRRA officials said here last week that the wheat crop in the great Ukraine producing region was threatened with ruin because of prolonged drouth, but there has been no mention of these reports in the Soviet press.

Lack of any official forecasts handicapped efforts to assess the crop situation in the Ukraine, but it was believed that no one will be able to predict the outcome until after June 15 when weather will no longer be a prime factor.

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From the New York Wall Street Journal, May 21 -

BOX CAR SHORTAGES are damming up the flow of wheat in Europe. In the Northwest, source of most "bonus" wheat, more than 27 elevators are "blocked"—that is, they're full. Farmers with truckloads of wheat have had to haul it back to their farms.....

The box car supply also promises to be short enough to hold back movement of new wheat in the Southwest. There will be less than 10,000 cars in storage on sidetracks ready to move the new crop in that area, compared with 25,000 to 30,000 in normal times.

The Santa Fe is converting 500 livestock cars and 200 open hopper cars to handle wheat in the Southwest. It has 2,000 box cars set aside for the purpose.

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WHEAT LOANS in 1946 will not bring much grain into Government bins. The new loan program, which has been officially approved but not made public, will not be very attractive to wheat farmers, Department of Agriculture officials admit. At 90% of parity, the farmer will be able to borrow about \$1.45 a bushel on his grain. This compares with an at-the-farm ceiling price of about \$1.75.

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SUGAR CONTROLS may be continued for another two or three years. Some top Government sugar experts think controls should be kept until after the 1948 Cuban and Puerto Rican crop is harvested in order to prevent uneven distribution of limited supplies.

Home rationing might be ended next fall, they say, but is more likely to be carried into the spring of 1947. If sugar crops get the weather they need, industrial rationing might be dropped later next year, but control of sugar inventories of industrial users would be maintained until the spring of 1948.

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THE BUTTER SQUEEZE grows tighter, with no real relief in prospect. Storage stocks have slumped to around 10 million pounds. And 2.5 million pounds of that belongs to the Government. Stocks a year ago stood around 45 million pounds.

Production of creameries drags along 31% below last year, and Government buyers take a big chunk of what is turned out. In recent weeks, the Government has taken 50% of the butter arriving at some terminals—actually 100% at others.

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From The New York Times, May 19 -

FOOD AUTHORITIES SPLIT ON RATIONING-Washington-At the present time proponents and opponents in the rationing debate appear to be about equally divided in strength.

On the anti-rationing side of the argument is such a national figure as former President Hoover, who, after a world-circling trip to study famine conditions, said this week that he did not believe rationing to be necessary. Aligned with Mr. Hoover are executives of the Department of Agriculture and many Administration spokesmen who feel that other types of controls will accomplish the same purposes as rationing.

Opposing their view are former Gov. Herbert H. Lehman, first Director General of the United Nations Relief and Rehabilitation Administration, and a committee of one hundred prominent citizens who wrote President Truman last week asking that more stringent food-conservation methods be invoked. Standing with this latter group are F. H. La Guardia, present Director General of UNRRA, and practically the entire staff of the international relief agency.

Taking the view that the shortage of foodstuffs is not a temporary affair -- that it is not a situation that could be cured by a ninety-day campaign to raise wheat shipments to a six-month average of 1,000,000 tons a month by July 1 -- the advocates of rationing have urged that bread grains, meats, fats, oils and dairy products be put under such regulations indefinitely.

Those who side with UNRRA point to sugar as a shining example of the effectiveness of rationing in the mechanics of distributing foodstuffs to a hungry world. Sugar, they assert, is the only essential foodstuff in general demand which does not present an impossible supply picture at the present time.

Arguments from the other side sum up in three main points:

- (1) That the Government, by reinstituting controls other than rationing, is assuring export supplies of meat and oils and fats for the coming year.
- (2) That rationing would not produce more foodstuffs to be sent abroad but merely assure (if that is necessary) that remaining domestic supplies are equitably distributed.
- (3) That rationing is one thing under the patriotic compulsion of wartime but quite another in a post-war era when the public is tired of governmental restrictions and controls.

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DEALERS THREATEN TO BOYCOTT MEAT-A double-barreled attack on the black market in meat, to be waged in both wholesale and retail trade, was announced yesterday by spokesmen for both groups, who revealed plans for widespread shut-downs in the metropolitan area to eliminate the necessity of continuing over-the-ceiling operations.

The New York Council of Wholesale Meat Dealers disclosed through its counsel, Joseph Cohn, that wholesalers in this area would cease operations by May 24 or sooner unless enough meat is made available at ceiling prices to permit them to carry on normal operations. Mr. Cohn said the shutdowns would follow the disposal of available supplies and additional stocks now in transit.

The wholesalers, at a special meeting voted unanimously in favor of the termination of all price controls and subsidies on meat and livestock by June 30. They held that in view of their inability to obtain enough meat at ceiling prices they can best serve the industry, the public welfare and the cause of compliance by shutting their doors.

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From The Farmers Guide, Huntington, Indiana, May 15 -

WORLD IS STARVING BUT UNCLE SAM STILL PAYS FARMERS TO GROW GRASS-This information would be ridiculous were it not at a time when everything should be looked at in a serious way.

Senator Homer E. Capehart of Indiana discloses that the United States department of agriculture is still paying farmers for not raising wheat. In the face of suffering the world over, he declared that "the worst famine in world history is an easy possibility if the United States should suffer a drought in 1946." The Senator's disclosure and his forecast came in a submission of figures showing the amount of subsidies paid for utilization of land for the production of grass instead of grain.

Before the Small Business Committee of the Senate, he won an admission that the department is paying subsidies to farmers but he could not get the actual statistics. The committee ordered the department of agriculture to produce figures when the Indiana Senator pointed out that every acre of grainland under subsidy for the production of grass is an acre taken out of production of badly needed grain. The department of agriculture spokesman admitted to the committee that "subsidies for grasslands are now rather extensive and have been throughout the war."

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From Chicago Daily Tribune, May 15 -

MEAT RULE END URGED TO KILL BLACK MARKET-Removal of price regulations on meat would force black market slaughters out of business largely because they lack facilities for producing hides, fertilizers, and other by-products of the slaughtering trade, industry spokesmen said yesterday.

The legitimate packer in a freely competitive market makes a profit from by-products which enables him to sell beef and pork at "break-even" or loss prices, said market observers. The black market slaughterer is thriving because he is making money from what is normally the least lucrative part of the business. He does not have to maintain machinery and employes to produce such items as sausage, chemicals, or casings.

In 1940 there were 1,500 federally licensed slaughters, the American Meat institute reported. Now there are about 26,500, of which only about 12,000 collect federal subsidies. Packers said most of the 14,500 slaughterers who do not collect subsidies would have to be black marketers to make their businesses pay. Part of the increase in the number of licenses however, was attributed to small, legitimate packers who obtained federal licenses in the war to sell their products in interstate commerce.

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From St. Paul Pioneer Press, May 14 -

AMERY YOUTHS TO MAKE FARM TOUR OF SOUTH-Amery, Wis.-Thirty-three boys from Amery high school consider themselves the luckiest boys in Wisconsin.

On Sunday, May 26, they will leave in the school bus for a three week tour of the southern states which will take them to New Orleans and Florida on an educational tour.

The tour is being directed by G. E. Niccum, agriculture teacher of the school and director of the Future Farmers of America unit at Amery high school.

"Purpose of the tour," Daryl Lien, high school principal said, "is to provide rural youths with a working knowledge of their own country. The boys will get a chance to study the agricultural and social conditions of other parts of the country."

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From New York Times, May 22 -

LA GUARDIA ASSAILS HOOVER FOOD AIMS: ASKS TRADE CORPORATION-Washington-A permanent world trading corporation for making available to needy areas the surplus foods of producing countries was proposed today by F. H. La Guardia, Director-General of the United Nations Relief and Rehabilitation Administration, in an address which assailed recommendations put forward yesterday by Herbert Hoover, as honorary chairman of the United States Famine Emergency Committee.

Referring in particular to Mr. Hoover's demand for a prompt return to "normal commerce" in the trade of food and agriculture products, Mr. La Guardia told delegates to an Emergency conference of the United Nations Food and Agriculture Organization that the "old system hasn't worked" and that a world food agency should determine both the needs for food and the methods of distribution.

The Surplus Commodity Corporation, divided into regional offices for the Western Hemisphere, for Europe and Africa and for the Far East and Indian Ocean area, would have to be ratified by treaty, Mr. La Guardia explained later. Members would create the world pool of commodities and share the cost, much as the World Bank now operates, he said. He emphasized that a country with a surplus, determined by actual requirements and not by purchasing power, would sell it to the corporation at a price reflecting parity to farmers, and the corporation would in turn sell or trade the surplus with needy countries.

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AUSTRIA SETS UP FOOD DIRECTORATE: TO APPLY TO RUSSIANS FOR WHEAT-Vienna-The Austrian Government has appointed a food directorate, one of whose first acts will be to apply to the Soviet Union for wheat to meet the country's urgent food situation and stave off the general strike that threatens as a result of the dissatisfaction of workers with their present rations.

LEHMAN ASKS FOOD RATION-Washington-Former UNRRA Director Herbert H. Lehman today called for rationing of fats and oils, meat and bread. In a statement to the food for freedom organization which is holding a "conference for action to stop the march of famine" this week.

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STALIN SAYS TRUMAN GRAIN PLEA FOR UNRRA WAS 3 MONTHS LATE (AP)-London-Prime Minister Stalin has expressed regret to President Truman that a request that Russia assign grain to help the UNRRA meet the world food crisis did not arrive three months ago, when the Soviet Union "could have done something in this respect."

In his answer to the President, Mr. Stalin said the request came in the middle of May "after the Soviet Union already has assigned a certain quantity of foodstuffs to France and other countries and when the resources of the Soviet Union are already being exhausted."

(Turn to page 2 for other items in today's New York Times.)

From The New York Times, May 22 -

PRICES OF COTTON SAG 3 TO 7 POINTS-The cotton market was feverish and prices on the New York Cotton Exchange yesterday moved over a range of 10 to 12 points.

The close was barely steady at about the low of the day with net declines of 3 to 7 points.

Attention was centered on developments in Washington. The rail and coal troubles and the proposed amendments to the price control act were considered as likely to have a bearing on the cotton market.

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PRODUCERS OF FOOD MEETING IN LONDON-London-The first step toward establishing an international federation of agricultural producers that would be complementary to the United Nations food and agriculture organization was taken today with the opening of a thirty-one-nation conference dedicated to bringing the federation into existence.

Although thirty-one nations are represented at the conference only seventeen have delegates with full powers entitling them to vote and join in any new organization established. Of the world's major food producers Argentina is represented only by an abserver and the Soviet Union has no one at all. The Russians did not answer the invitation to attend.

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CLOSED BUTCHERS ACCUSE 300 SHOPS-Brooklyn's shut-down retail butchers, who have left their locked shops to track down price ceiling violations by those who stay open, turned 300 complaints of black marketing over yesterday to a butchers' committee for investigation and submission to law enforcement agencies in documented form.

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CITY RESTAURANTS BEGIN CEREAL CUT-Voluntary conservation of cereals on a large scale started here last evening. Some public eating places followed the letter of Mayor O'Dwyer's request of last week and others merely observed the spirit. While bread and cake had not disappeared from every dinner menu, substantial cuts generally were evident.

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From The New York Herald Tribune, May 22 -

GRADE LABELING PLAN HELD ROAD TO 'MEDIOCRITY'-Baltimore-Outlining plans of the Brand Names Research Foundation for the "biggest co-operative advertising campaign of public education since the war," A. O. Buckingham, chairman of the foundation and vice-president of Cluett, Peabody & Co., assailed today proposals for mandatory grade labeling as leading to a "fettered" world of lifeless mediocrity.

Mr. Buckingham said the campaign would counteract "the babble of imported forms of thought" which "deny the fundamental principles of our system."

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From the New York Journal of Commerce, May 22 -

CARGILL ASKS GRAIN TRADE INJUNCTION, Chicago - A suit seeking to enjoin the Chicago Board of Trade from closing out old grain futures contracts at old ceiling prices, and seeking \$3,309,000 in treble damages was today filed by Cargill, Inc., against the Chicago Board of Trade in Federal District Court.

The suit is a direct outgrowth of the recent action of the Board of Trade in closing out futures contracts at old ceiling prices, as requested by the Government.....

At the time that the suit was filed it was learned that the officers and directors of the Board of Trade were considering calling on the Office of Economic Stabilization to issue a directive which would require the closing of the futures contracts by the Government. Since OES failed to issue such a directive when it requested the futures markets to close out contracts, it is not regarded as likely that such action will not be taken after the event by OES.

Cargill, which described itself in the complaint as having a capital investment in its own properties in excess of \$31,000,000 brought the suit under Section 1 of the Sherman Anti-trust Act.

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NEW PROCESSING METHODS TO BROADEN COTTON OUTLETS - Consumption of raw cotton at a permanently higher rate than prewar levels is a distinct possibility as a result of new mechanical developments and improved methods of chemically processing slivers, roving, yarn and fabric which promise to open new outlets for cotton products.

Outstanding among these new developments are:

1. Non-woven or bonded fiber textiles which have already been put to extensive industrial use and are being developed for various consumer purposes.
2. Finishes which make cotton fabrics resistant to flame, water, mildew and weather. Also flame and vermine-proof insulation rolls.
3. New plastic coatings for fabrics which open up uses in automobiles, shoes, luggage, etc.
4. Army-developed uses of cottons as outerwear in sports and work clothing.

Cotton today still represents almost 80 percent of all textile fibers processed in this country despite inroads made by synthetics. These inroads will be met in the postwar years by a wide range of new uses for cotton, many of which were developed under wartime pressure.

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SALE OF HAIL COVERAGE IN NORTH WEST IS SLOWED, Minneapolis - Backward crops throughout the Northwest have slowed down the hail insurance business considerably. Fears that a lengthy drouth might greatly reduced if not wipe out their crops caused many farmers to delay taking out hail coverage. May ordinarily is a big month in hail writing in this territory but unless there is a decided change in crop conditions the remaining 10 days the volume will show a falling off. There was a fairly general rainfall May 17 and 18 which will help conditions some but much more moisture is needed.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

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Farm Digest 1115-46-3

From the New York Journal of Commerce, May 22 (Cont.) -

LINSEED SHORTAGE CAUSING SHUTDOWN AT ARMSTRONG, Lancaster, Pa. - Because of a lack of linseed oil one department of the floor plant of the Armstrong Cork Co. was shut down yesterday. Progressive suspension of operations in other departments devoted to the manufacture of linoleum and felt base floor coverings is due to follow in the next few weeks, it was announced by C. N. Painter, vice president.....

The linseed oil situation should clarify itself within the next few weeks, Mr. Painter added. Linseed oil as well as the flaxseed from which it is pressed is allocated to processors and users by the Government.

The domestic supply never has been adequate for the nation's needs, and foreign sources, notably Argentina, have made up the deficiency. The Federal agencies which handle the importation of oil and flaxseed have not, as yet, been able to conclude final arrangements with the Argentine Government on the present crop.

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MAY RYE HIGHER IN ERRATIC TRADE - Chicago May rye moved over the permissible 10c range yesterday and finished 3 1/8c higher while other grains not already at ceiling prices registered fractional advances.

Trading in all May grain contracts will end at the close of today's session and apart from probable gyrations in rye little or no activity was anticipated.

Selling pressure which had featured trading in new corn contracts during the previous two sessions had subsided and prices held above Monday's finals with scattered supporting orders attracted by persistent tightness in the cash market and insignificant country offerings.

There were reports of damage to wheat in Kansas from the Hessian fly but these were offset by rapidly expanding new wheat receipts in Texas and Oklahoma where yields thus far have been well above average, and of excellent quality.

Beneficial rains fell in parts of the spring wheat and corn belts and rains were expected over parts of the Southwest which would benefit winter wheat.

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FLOUR PRODUCTION CONTINUES TO DROP - Stagnation of unprecedented proportions continued to engulf the United States flour milling industry and there was widespread pessimism regarding the outlook for any marked improvement in production over the next several weeks, particularly in the Northwest where the harvest is much later than in the Southwest.

At the end of this week the Government wheat bonus program is scheduled to terminate and it appears probable that little if any old crop wheat will be available thereafter to millers at the lower price level.

It was also held unlikely that Government acquisitions will be large enough to permit releases to mills for the domestic trade although some are expected to receive wheat for export flour.

One encouraging development however, has been an unusually early new crop movement in the Southwest, with Texas and Oklahoma wheat moving to market in expanding volume and holding forth the possibility that a number of mills in those areas will be able to resume operations earlier than previously expected.

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From The Commercial Appeal, May 19 -

GARRARD FINDS HOPE IN ANDERSON MESSAGE-Praise for the message which Secretary of Agriculture Clinton P. Anderson brought to the Delta Council at Cleveland, Miss., recently, is contained in a statement by W. M. Garrard, general manager of the Staple Cotton Co-operative Association, Greenwood, Miss.

"From a long range viewpoint," Mr. Gerrard says, "Secretary Anderson's address is the most important contribution yet made in regard to the future of cotton production in the Southern States.

"His optimistic statement, as to both domestic consumption and exports abroad, was cheering news to growers who have heard, for the past two or three years, only a lament that the use of cotton would soon be supplanted by synthetic fibers, and all producers who were smart would either sell their cotton lands or convert them to stock-raising or the production of other crops. Cotton was doomed. It was no longer king. Synthetics would rule the fiber court with materials far superior to any produced from the ancient cotton fiber, which for more than twenty centuries has furnished royal robes for the prince and cheap durable covering for the pauper.

"Secretary Anderson's address gave inspiration to all growers to go back home and assist in establishing a know-how to mechanized production. Once mechanical implements are available in quantity, we can and will furnish the world not only with the finest and most durable wearing apparel, but also with the best tire fabrics, upholstering material, sheets and other household furnishings, to be obtained -- better than anything made from synthetics."

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MEMPHIS GETS READY TO HELP THE STARVING-Colonel Memphis is rolling up his sleeves today, grimly determined to do his utmost for the world's starving millions.

Starting officially tomorrow and continuing through the week, grocery stores in the city and county will display large barrels under a placard reading: "Emergency Food Collection. Put in some cans to save some lives."

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From The Kansas City Star, May 19 -

FARM PROFIT ON PAPER-Chicago-Two farm leaders said here that although farm assets and income are reported higher than before the war the gain is largely "paper values," and farmers have "not grown wealthy."

Arthur E. Moore, editor of Prairie Farmer, a farm paper, said asset items increased 38 billion dollars, but attributed 62 per cent of the increase to higher prices of land, livestock and crops.

"We know that the entire 'gain' from price increases might be wiped out in a few months," Moore said in an interview. "A like gain after World War I disappeared practically between sowing and harvesting in one crop year. It will happen again if we have a boom and bust."

L. E. Simerl, director of research and taxation for the Illinois Agricultural association, said bureau of agricultural economics figures indicated farmers' cash and liquid assets totaled 16,788 million dollars, while their debts totaled 8,952 million dollars, "but farmers have not grown wealthy."

"Most of the gain," Simerl added, "is largely an increase in paper values. The farmers' real worth is considerably lower when compared with other values."

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From St. Paul Pioneer Press, May 19 -

THE RATIONING OF BREAD-By Alfred D. Stedman-A brand new American question for the future is whether to undertake the rationing of bread.

To meet the present hunger crisis, this country, due to the sheer pressure of time, is relying upon voluntary food conservation. But in reshaping the national food program to fit long-time needs reaching into 1947 or beyond that, the U. S. will face decisions as to government rationing of food.

There is the experience of the war years to guide the rationing of meats and fats, which could be made necessary by mounting need abroad or by falling production of livestock, animal fats and vegetable oils due to drouth at home.

But government rationing of bread would be unprecedented in this country. True, rationing has been widely demanded as an immediate substitute for the present program of voluntary conservation. Some of the zeal against voluntary methods seems almost to glorify government rationing. It is pictured as a kind of panacea for all the headaches that go along with heavy procurement of famine supplies.

However, as related to bread, such glib insistence upon quick resort to rationing is shared by not one of these officials who would have to take responsibility for carrying out the operation.

The truth is that wide misunderstanding exists as to the problems that would be involved in rationing bread. Unless preceded by the most careful planning and preparations, such rationing would be a plunge into thorny troubles.

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From The Antigo Daily Journal, Antigo, Wisconsin, May 18 -

MORE OF THE SAME-Editorial-In spite of the confusion and contradiction surrounding the efforts to relieve world famine, several facts remain clear and unchallenged, as they have been since the problem has existed.

The world food shortage was foreseen, and UNRRA was set up to alleviate that shortage and prevent starvation.

The United States, largest food-producing country untouched by warfare, was destined to be a major source of UNRRA's supplies.

The United States has not met its UNRRA commitments.

Its failure to do so is due in no small part to hesitancy, lack of co-ordination, and an amazing fluctuation between concern and complacency in the government agencies responsible for meeting those commitments.

When the return of rationing was first discussed some weeks ago, a Gallup poll showed that 59 per cent of those questioned favored it if it was the only way to feed the hungry of other lands. With the world food situation growing worse, it is reasonable to assume that the percentage of those who would abide by rationing has not decreased.

Mr. Bowles probably remembers, as most of us do, that during the war even a two-weeks' forewarning of new or resumed rationing of some item was the signal for a rush of buying and hoarding. Today, with black markets still flourishing, a half-threat of rationing two and a half months hence is an invitation for the greedy and unscrupulous to remove from normal channels more of the very foods that are most needed.

But such an apparent blunder no longer seems remarkable. It is unhappily typical of the unpreparedness, uncertainty and disagreement which have marked the operations of UNRRA, the Combined Food Board, the State and Agriculture Departments and sundry other agencies charged with the task of fighting the greatest famine in history.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 23 -

U.N. GROUP TO URGE EMERGENCY BOARD TO FIGHT FAMINE-Washington-A proposal for a new emergency agency to deal with world food shortages developed today in a special committee of the United Nations Food and Agriculture Organization and seems likely to go before the full meeting of the conference Monday.

Embodying in large part suggestions put forward in a memorandum, submitted by the United States, the United Kingdom and Canada, the proposed body, it was learned, would be in effect an expanded version of the present Combined Food Board, a wartime expedient for using food reserves of the major food producers among the Allies.

The joint three-nation memorandum called for the formation of a temporary international Emergency Food Council, composed of all member Governments of the several commodity divisions of the present Combined Food Board, which total about fifteen.

In addition an executive committee of seven members would be the operating and policy making unit of the Council, three of which would automatically represent the United States, the United Kingdom and Canada, who now comprise the Combined Food Board. Four of the members would be elected by ballot.

The compromise proposal would retain the Executive Committee, but add a full-time director or secretary general and a secretariat, preferably drawn from the ranks of the present FAO.

It is also anticipated, in the early draft, to give seats on the Council to representatives of both the FAO, the agency responsible for long-range food planning, and the United Nations Relief and Rehabilitation Administration.

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JAPANESE PREMIER FACES FOOD ISSUE-Tokyo-Shigeru Yoshida was officially appointed by Emperor Hirohito this morning to serve as the new Premier of Japan at the head of his newly selected conservative Cabinet. In his first public statement today he pledged immediate action to solve the nation's critical food problem and appealed for united support.

He said that it would still remain necessary to appeal to the Allies for food imports.

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BLACK MARKET LAID TO LUMBER CONCERN-The United States Attorney's office disclosed yesterday that it had joined with the Office of Price Administration in a concerted drive against the building materials black market that is said to have held up the housing program.

In Southern District Court United States Attorney John F. X. McGohey filed the first criminal information against a lumber company, the Pin-Ray Lumber Company, Inc., 13 Sheriff Street, and Harry Gruber, its secretary-treasurer, charged with selling a carload of Western pine for \$5,600 almost twice the ceiling price of \$2,925, and of failing to keep proper records as required by the Office of Price Administration.

(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, May 23 -

MAY TRADING ENDS IN GRAIN MARKETS-Chicago-Trading in grain for May delivery ceased today on the Board of Trade. Little interest was shown in the expiring contracts in wheat, corn, oats and barley, all of which held at ceiling prices.

May rye finished with a limit gain of 5 cents for the day at \$2.40 $\frac{1}{2}$ a bushel, but operations were much reduced from the recent volume. Uncompleted contracts in rye when trading started today were down to 879,000 bushels. However, 5,451,000 bushels of May wheat, 5,523,000 of corn, 9,087,000 of oats and 307,000 of barley were outstanding and brokers look for large defaults due to inability on the part of shorts to obtain cash grain to deliver on their contracts. It is expected that the directors of the Exchange will be called in special session May 31 or June 1 to consider the situation.

Distant deliveries of oats gained 5/8 to 1 3/4 cents a bushel today, the latter on December, and new corn contracts rose $\frac{1}{2}$ to 1 $\frac{1}{4}$ cents, with January at the ceiling price bid. Other grains showed no change in price.

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COTTON CLOSES UPON BROAD DEMAND-Growing expectation that price controls of agricultural commodities would be modified materially in the price control bill under discussion in Washington had a stimulating influence yesterday in the cotton market on the New York Cotton Exchange. During the first half of the session there were numerous declines and rallies over a narrow range. Late in the day the demand broadened and the market closed firm, with net advances of 22 to 29 points.

There was still a feeling of uneasiness over the labor situation, but sentiment leaned to the constructive side. Noticeable was absence of offers in the market, with a general falling off in hedging against holdings of spot cotton.

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FOOD JOBBERS BACK BARKLEY OPA PLAN-Wholesale grocers are rallying in the support of amendments to the Price Control Act recently proposed by Senator Barkley, it was disclosed yesterday.

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BUTCHERS ACCUSE 150 MORE STORES-The campaign by shutdown retail butchers to track down price ceiling violations among fellow merchants moved forward yesterday with reports that 150 new complaints were added to the 300 turned over on Tuesday to a trade committee for investigation and submission to law enforcement agencies.

Burton B. Turkus, counsel for the Greater New York Meat Dealers Protective Association, disclosed that the new complaints, together with those already in the committee's hands, were being put into "concrete and evidential form" for the enforcement division of the Office of Price Administration and interested city and state agencies.

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From the New York Wall Street Journal, May 23, —

WHEAT CROP, EARLIEST IN HISTORY, IS ROLLING OUT OF TEXAS, OKLAHOMA — The new winter wheat crop is beginning to roll out of the American Southwest, about three weeks ahead of schedule. Twenty-one carloads of it pulled into Oklahoma City on the first two days of this week, nearly twenty days ahead of the earliest shipments in Oklahoma history.

The harvest for the entire Texas-Oklahoma area is expected to reach its peak in mid-June this year, compared with early July in normal years.

Harvest yields in southwestern Oklahoma are turning out 25% or more above forecasts, grain men say. H. M. Gilbreth, manager of the Farmers Cooperative Elevator at Frederick, Okla., forecasts an average of 20 bushels per acre for his country.

On the country's 1946 winter wheat crop as a whole grain men now believe the Government's May 1 estimate of 743 million bushels was too low, and that the final harvest will come to a higher figure. The official estimate based on April 1 conditions was 831 million bushels.

The supply of harvesting machinery and labor in Oklahoma seems adequate to get in the crop. Over 200 combines were massed last week-end near Grandfield, Okla., and scattered into the fields from that point.

The freight car shortage may create a serious bottleneck when the harvest reaches heavy volume. It is estimated that there will be less than 10,000 cars in "storage" on sidings in the Southwest waiting to move the wheat crop. This compares with 25,000 to 30,000 put aside for this purpose in normal times.

The "stored" cars will keep the grain moving for two or three weeks, but after that grain men say, there may be trouble.

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AGRICULTURE OFFICIALS STUDY WHEAT BONUS EXTENSION AFTER MAY 25, Washington. A plan to extend time of delivery of bonus wheat to "blocked elevators" beyond the May 26 closing date of the bonus program is receiving favorable consideration by the Department of Agriculture.

Announcement of such a plan is expected shortly. According to officials in the Department, many farmers, particularly in the Dakotas, Montana and Minnesota, have been prevented from selling their wheat under the Government's 30 cents a bushel bonus plan because grain elevators have been too congested to accept delivery.

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INTERNATIONAL MINERALS & CHEMICAL — International Minerals & Chemical has been selling in new high ground. The firm, a leader in the fertilizer industry, is looking forward to several years at least of record sales. The firm is one of the three or four principal producers of potash in this country and is adding to its phosphate capacity by constructing what the management describes as the largest and most efficient plant in the country. The world demand for plant food is expected to continue at a high rate for some time and Europe will need large supplies of fertilizer to rebuild its soil.

(Turn to page 4 for other items from today's N. Y. Wall Street Journal.)

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Farm Digest 1125-46-3

From the New York Wall Street Journal, May 23 -

HOOVER VA. LA GUARDIA, Editorial - Director General La Guardia of the United Nations Relief and Rehabilitation Administration has violently dissented from Herbert Hoover's proposal that the marshaling and distribution of the world's food resources be taken out of the hands of governmental and charitable organizations and to be returned to the mechanisms of normal commerce.

Mr. La Guardia's first shot at the Hoover proposal is, "The old system hasn't worked." The Director General of U.N.R.R.A. is evidently unaware that "the old system" of normal commerce in foodstuffs hasn't been allowed to work in the United States for many years. Wheat, one of U.N.R.R.A.'s greater concerns, has been subject to varying kinds and degrees of government interference.....

Mr. Hoover wants to oust government agencies from the domain of food because he knows that such agencies produce not food but scarcity and maldistribution. They duplicate existing facilities with inferior mechanisms; they replace men who know their business with politicians.

Mr. Hoover offers the one means by which the production of food will be fostered and its distribution according to need can be speeded up.

From the New York Herald Tribune, May 23 -

SENATORS WANT SUBSIDIES KEPT UNTIL MAY, 1947 - Washington, The Administration re-won today some of the ground it lost in the House when the Senate Banking and Currency Committee approved, 14 to 2, a compromise plan to end subsidy payments May 1, 1947, and allot \$1,100,000,000 for subsidies between June 30 and that date.

The House, is drastically amending the bill to extend the life of the Office of Price Administration, voted to end meat subsidies June 30 and all others Dec. 31.

The Senate committee also voted down, 11 to 7, a proposal by Senator Homer E. Capehart, Republican, of Indiana, to end on June 30 all subsidies except those on copper, lead and zinc.

It adopted, 10 to 8, an amendment by Senator C. Douglass Buck, Democrat, of Delaware, to scrap the O.P.A.'s controversial Maximum Average Price plan, designed to achieve greater production of low-cost clothing. The vote practically sounded the deathknell for the M.A.P., since the House also voted to kill it. It appeared unlikely the Senate would vote to restore it.

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FRUIT DEALER FINED \$560;-BUTCHER GET \$100 FINE AND 10 DAYS IN JAIL IN O.P.A. CASE - Overcharges of 35 cents on eight sales cost a fruit and vegetable dealer \$560 in fines yesterday in Bronx War Emergency Court, which also fined a butcher \$100 and sent him to jail for ten days for an overcharge of 71 cents.

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From the Baltimore Sun, May 23 -

ARGENTINA NOW IN FOOD PARLEY, Washington - Argentina belatedly joined today an international food conference which began leaning toward the idea of an expanded food allocating board to combat famine for the next year or two.

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Farm Digest 1125-46-4

From The Wall Street Journal, May 22.

RATIONING--A BACKWARD STEP-Editorial-by William Henry Chamberlin-The Administration is the object of a high pressure campaign to bring about the restoration of food rationing. Two groups are prominent in this campaign. There are sincere humanitarians who have been led to believe that only through rationing can America make an adequate contribution. . . . And there are the advocates of control for control's sake, whose ultimate ideal for America and the world is a regimented, policed economy. . . .

Now rationing is fundamentally inconsistent with the nature and incentives of a free economy. Its effective (or ineffective) enforcement requires a huge bureaucratic army. It was accepted as one of the unavoidable evils and hardships of war.

To attempt widespread rationing in time of peace would be to invite a repetition of all the dreary and unedifying features of prohibition. There is every likelihood that there would be widespread evasion and racketeering, that objectionable speculators would reap a harvest at the expense of consumers and honest dealers alike that the state of chaotic shortage . . . would be deeply intensified and aggravated.

It is a basic principle of the free economy that everyone should be able to buy what he wants, and as much as he wants, when he wants, so far as his income permits. The dead level imposed by rationing violates this principle, undermines the value of money, destroys an important working incentive and thereby tends to lower efficiency and production.

But, it is argued, the world food shortage is a crisis which can only be met by the reimposition of rationing. Before one accepts this assertion the nature and causes of this shortage must be carefully examined.

There is . . . a very strong political man-made element in the present food crisis. In normal times Eastern Europe, with some exceptions, is agricultural and Western Europe, with some exceptions, is industrial. There is an exchange of surplus foodstuffs from the East for surplus manufactured goods from the West.

Now Europe has been arbitrarily cut into two halves by the line of demarcation between Soviet and Western spheres of military and political influence. Apart from an announced Russian intention to sell 500,000 tons of grain to France, there has been no movement of food in any quantity from the East to the West. More than that UNRRA supplies, mainly of American origin, have been pouring into many countries of Eastern Europe, notably Poland, Yugoslavia, the Ukraine and White Russia.

The Soviet Government has brusquely refused to take part in any food pooling plans for the relief of famine. It is keeping very large armed forces, some two million men, billeted on the people of Eastern Germany, Eastern Austria, Hungary, Rumania, Bulgaria and Poland. The requisitions of these armies have destroyed the ability of some of these countries . . . to export surplus foodstuffs.

The severance of Germany's agricultural eastern provinces, the breaking up of the country into four hermetically sealed zones, the ruthless industrial restrictions of the Potsdam Agreement have added immeasurably to the distress of Europe.

Now America has some share of responsibility for this wrong and mistaken policy toward Germany, and there are a few encouraging indications that our weight is being thrown behind proposals for a more constructive policy. America owes a general humanitarian obligation to relieve world-wide distress. Contrary to the impression which some of the more extreme advocates of rationing give, America has not been unmindful of this obligation.

But America, rich as it is, cannot assume the role of an Atlas, carrying the whole world on its shoulders. The introduction of all-out rationing in
(continued on page 6)

America would not, in the long run, benefit the rest of the world. For it would greatly weaken and perhaps fatally paralyze the strong productive free economy which in the past has made it possible for America to help distress in the outside world on a scale unmatched anywhere else.

From New York Herald Tribune, May 22 -

TALK OF RATIONING VIEWED AS PART OF DRIVE FOR GOVERNMENT RULE-by Mark Sullivan-Washington-Suggestions about resuming food rationing, advocacy of it, predictions of it, are in the air. Actually there is no present likelihood of it.

Quite the contrary, the official body dealing with the present world-wide famine, the President's famine emergency committee, at its first meeting in early March, decided to use other methods. In that decision, President Truman participated. So did Secretary of Agriculture Anderson, who has the official status of United States Food Administrator. There is no official thought of changing. The reasons that were strong against the rationing methods in early March are strong now. One reason was the time that would be consumed in re-establishing some seven to eight thousand rationing boards throughout the country, and printing and distributing some 130,000,000 ration cards.

The continued talk of rationing bread, and food that was never before rationed in America, suggests something that has taken place during a period beginning even before the war. It is advocacy and practice of, accompanied by growth of tolerance for, regulation of the individual by government. Observant persons have come to feel that there is a school of thought, world-wide in extent and including some in America, which thinks that food, both the production of it by farmers and the distribution of it, should be put on a basis of governmental regulation. One way to offset this idea is, in the present emergency, to achieve relief of famine by the voluntary reduction of bread consumption by individuals. Actually, this is being done on a scale and with a spirit which encourages faith, not merely for success in relieving famine, but in survival of the American idea.

From Chicago Daily Tribune, May 20 -

CHEESE MAKERS HOLD UP SALES IN OPA PROTEST-Milwaukee, Wis.-Beginning today, Wisconsin's cheddar cheese--400 million pounds annually--was being withheld from the market because of a protest against OPA price regulations.

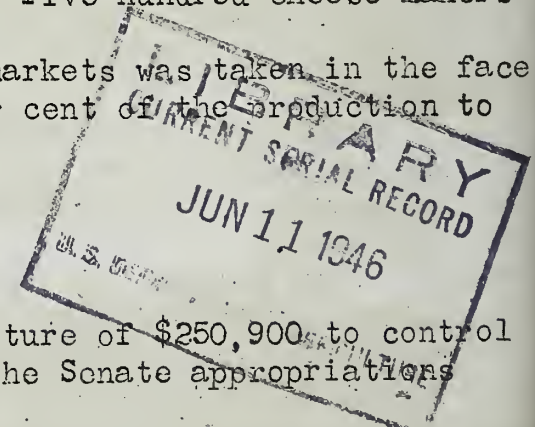
Today's action followed last night's vote by Wisconsin cheese makers at a meeting in Fond du Lac to pursue such a course of action in a protest against OPA price policies, which they said have caused 1,000 of the 1,400 cheese factories in Wisconsin to be closed, sold, or leased. Five hundred cheese makers attended the meeting.

The decision to withhold cheddar cheese from markets was taken in the face of a government order calling for channeling 40 per cent of the production to federal agencies.

From The Times-Picayune, May 17 -

BOOLWORM CURB FUNDS BOOSTED-Washington-Expenditure of \$250,900 to control the pink boolworm in cotton was approved today by the Senate appropriations committee.

The recommendation is \$158,400 higher than that approved by the House, which must concur to make the available if passed by the Senate.



(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Herald Tribune, May 24 -

TWO YEAR PLAN ON WORLD FOOD CONTROL BACKED-Washington-Determined to prevent another global food crisis like this year's, delegates to the United Nations emergency food conference here passed the entire day in secret sessions mapping "concrete and practical" action to control world food production and consumption.

One official told reporters tonight it was the feeling of the group, attended by twenty-three of the United Nations, that international controls should be decreed for at least a two year period, with economic sanctions which would cut off food supplies from any recipient nation failing to cooperate in its own conservation and production of food.

It was obvious that sanctions would not apply to producer nations, since they could withdraw at any time from the international food pool should group decisions be distasteful.

Meanwhile, the joint American, British and Canadian proposal of yesterday to establish a twenty national food allocating board gained momentum at the conference, and officials expressed belief that a resolution urging immediate creation of the agency would be passed unanimously Monday.

Action contemplated by the conference, and expected to be formally recommended by its members Monday, included the setting of international goals for:

1. High flour extraction rates, similar to those which have already brought darker bread to the tables of America, Britain and Canada.
2. Grain and fat set-asides for elevators and slaughter houses in the major producing countries.
3. Maximum restrictions on brewers and distillers to prevent use of humanly edible grain for luxury products.
4. Limitations on use of grain for livestock feed.

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FOOD SUPPLIES IN CITY AMPLE FOR LONG STRIKE-New Yorkers will eat adequately but monotonously if the railroad strike lasts more than a few days.

Canned foods, fish, poultry, eggs and frosted foods in nearly normal amounts will replace meat and most fresh produce, but there is no immediate danger of lack of food in the city.

Eugene G. Schulz, New York City Commissioner of Markets, presented an optimistic report on the food situation yesterday, emphasizing that "there is nothing to worry about." Trucks can assume a large share of the deficit in food transportation, bringing in 75 percent of the normal supply, he said. Forty per cent of the city's meat and vegetable requirements are delivered by truck even when the railroads are in full operation.

The milk situation was uncertain, since it was not known whether special provisions would be made for the operation of milk trains during the strike. Mr. Schulz said that most of the city's supply of 53,000 forty-quart cans daily is brought in by truck, but retail food distributors feared that milk would be among the first items affected.

Fresh fruits and vegetables probably will disappear from the city's market early in the strike.

(Turn to page 2 for other items from the N.Y. Herald Tribune.)

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From The New York Herald Tribune, May 24 -

TRUMAN URGES SENATE TO KILL CURBS ON OPA-Washington-President Truman announced today that he "would not be able" to approve the price-control extension legislation passed by the House, and appealed to the Senate to re-enact the law "without amendments that would jeopardize economic stability."

The President noted that Congress has been considering extension of the Office of Price Administration for fifteen weeks, and warned that the nation "is already experiencing a creeping economic paralysis from speculation and withholding of goods."

Senatorial reaction indicated that the appeal, made in a letter to Senator Robert F. Wagner, Democrat of New York, chairman of the Senate Banking and Currency Committee, would have little or no effect. Senator Joseph H. Ball, Republican of Minnesota, said that, "if anything, it will stiffen opposition to OPA". The Wagner committee is still considering the legislation.

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SCATTERED SALES AT CHICAGO CUT PRICES OF OATS-Chicago-Scattered selling by commission houses, apparently reflecting favorable weather and good crop prospects, today caused fractional losses in oats futures. At times losses ranged to a cent, but part of the downturn was recovered in late trading. Wheat held at ceilings.

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COTTON 50 OFF TO 250 UP ON NEW YORK EXCHANGE-Price on the New York Cotton Exchange closed yesterday 5 cents a bale lower to 25 cents higher.

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PRIMARY MARKET PRICES HIGHER IN MAY 18 WEEK-Washington-Higher prices for grains and clothing were largely responsible for an advance of 0.7 per cent in primary market prices during the week ended May 18. At 110.9 percent of the 1926 average, the index of commodity prices in primary markets prepared by the Bureau of Labor Statistics of the Department of Labor was 1.2 percent higher than in mid-April 1946 and 4.3 percent above a year ago.

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MOVE IN SENATE TO END M.A.P. HAILED BY TRADE-If the Office of Price Administration's maximum average price regulation should go by the board after June 30, there would be increased production and improved quality in the textile and apparel trades, with no appreciable change in prices of clothing for the consumer, industry leaders here agreed yesterday.

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From The Baltimore Sun, May 24 -

U.S. TO SEIZE WHEAT, ASKS RESTAURANTS TO BAN BREAD-Washington-President Truman's famine committee asked restaurants today to serve bread only when customers specifically ask for it.

The Government simultaneously announced the start tomorrow of wheat requisitioning to meet foreign commitments. The two actions came while the international food conference meeting here discussed a four point plan for wiping out, with a margin for safety, a 10,000,000 ton world grain shortage predicted for next year.

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From the New York Wall Street Journal, May 24, -

FEED FAMINE, French Lick, Ind. - Dwindling supplies of poultry and livestock feed are beginning to pull down this country's production of chickens, eggs, turkeys, milk and meat.

Higher prices for corn, wheat, oats and other ingredients used in feed without compensating rises in the ceiling on livestock and poultry products, are accentuating the trend. The profits in converting feed into food are shrinking under the new prices.

Feed men, here from all parts of the country to attend the 3-day annual meeting of the American Feed Manufacturers Association ending today, related incident after incident to indicate the effects feed shortages are having on the farm.

Some distress selling of poultry and hogs has started. In the state of Washington, where the feed shortage is probably more severe than in any other part of the country, turkeys are being sold at weights of only 5 or 6 pounds instead of the usual 15 or 20.

One feed man reports that hogs are coming to market in Bloomington, Ill., at average weights of only 125 to 150 pounds, only a little over half the size at which they are normally sold. This same trend is in evidence in big markets like St. Louis which are in definite grain areas bordering the corn belt.

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BREAD SHORTAGE will linger for at least another month. Requirements for the armed services and U.N.R.R.A. will not be eased, so housewives, who have begun to queue-up for loaves in many localities, will get no relief until the new wheat crop is being milled in volume. Meat, except poultry, will continue tight all summer.

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EMERGENCY RETAIL PRICE BOO T ON WHITE BREAD, Washington - The "emergency" retail price increase on white bread is expected within a few days.

The increase will be based on a "baker's established weight of a loaf of bread and his established corresponding price for that loaf," an Office of Price Administration Spokesman said. It will reflect increased material and labor costs on the normal size loaf.

He emphasized that the pricing action is "separate and distinct" from restrictions which bakers are being asked to observe under the famine emergency program, including a 10% cut in the weight of a bread loaf. The O.P.A. has permitted this cut without any accompanying price reduction.

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PACIFIC FRUIT ORDERS 2,000 REFRIGERATOR CARS - Pacific Fruit Express Co., jointly owned by Union Pacific and Southern Pacific railroads, has announced placement of orders for 2,000 new lightweight refrigerator cars.

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From the New York Times, May 24, -

NEW ENGLAND AIMS TO SAFEGUARD FOOD, Boston - New England, on the "end of the line" in the country's transportation system, rallied quickly tonight to provide means of getting the bulk of its food supply and the raw materials necessary to keep its industries in operation, and to provide transportation for 1,000,000 persons. As the region's railroad service ground to a stop, public officials went into action to combat the crippling strike. Bus and rapid-transit lines began putting into operation every available piece of equipment. The greatest concern was food.

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FARM LEADER HITS STRIKE, Los Angeles - "Labor was pointing a pistol at the head of this nation and now it has pulled the trigger," declared Ray B. Wiser, president of the California Farm Bureau Federation in Berkeley, who was stranded tonight in Santa Ana while en route to Los Angeles from San Diego, where he attended a bankers' convention.

"The rail strike, if it continues," he went on, "will cost California farmers \$55,000,000 to \$60,000,000 within the next two weeks, and more than \$25,000,000 each week thereafter."

He stated that this State imported more than 100,000 tons of feed a month. This, he said, would be cut off by the rail strike and farmers and dairymen would be forced to slaughter their flocks and herds. There would soon be no milk or milk products, he predicted.

"Melons are rotting in the Imperial Valley, potatoes in Kern County, cherries in Santa Rosa and the Santa Clara Valley around Marysville, Lodi and Stockton," he said. "Tomatoes will rot and so will asparagus. It will be ruinous beyond belief."

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THE STRIKE BEGINS, Editorial - A strike which is nothing less than a national catastrophe began at 4 o'clock yesterday afternoon when the railway engineers and trainmen left their posts. At that hour President Truman was making a futile last effort to achieve a settlement by offering the unions more than his own emergency fact-finding board had awarded them. This effort failed. And with its failure began a strike which, even if prolonged only for a few days, will have disastrous effects on the American economy. Workers will find themselves cut off everywhere from the inward shipment of raw materials and the outward shipment of finished products on which their livelihood depends. The populations of cities will find themselves cut off from their very food supply.

For the moment we can only hope that the union leaders will realize that there is peril as well as the possibility of gain in the course that they have chosen. They are gambling with the future of the whole labor movement in this country, and it ought not take many hours or days to convince them of the fact. Meantime it becomes the duty of every good citizen to follow promptly and with good spirit the instruction that come from local, State and Federal officials in the matter of conserving available means of transit and supply.

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ASK COFFEE RISE TO AID PRODUCERS, Washington - Two State Department officials asked President Truman today to obtain higher ceiling prices for coffee as an economic aid to coffee-producing countries. The request was presented by Spruille Braden, Assistant Secretary of State, and William Pawley, Ambassador to Brazil.

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From Chicago Journal of Commerce, May 22 -

GRAIN EXPORT MUDDLE BLAME PUT TO UNRRA-Washington-Last-minute demands from the United Nations Relief and Rehabilitation Administration prevented the Department of Agriculture from forming a long-range grain export program because of constantly changing requirements, farm state congressmen charged today in calling for the end of UNRRA.

"We had better get rid of UNRRA, hat and all, and put this food distribution in responsible hands," Rep. Cliff Clevenger (R., O.) declared after hearing testimony before the House agriculture committee that the relief agency upped its demands against United States supplies for the first six months of this year from last September estimates of 17,800,000 bushels of wheat and flour equivalent to 145,700,000 bushels in January.

Commenting on the figures, Rep. John W. Flannagan, Jr. (D., Va.) said that "it looks like someone is going to sleep down there. How could anyone expect the Department of Agriculture to operate under these conditions."

Chairman Flannagan charged that UNRRA estimates looked as if the agency's officials think "wheat can be pulled out of thin air," and that loose statements by irresponsible persons relative to the food crisis are causing people to think the United States is "falling down on the job" in furnishing its share of food to starvation areas.

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LESS BUTTER AND CHEESE-Editorial-Three news items in two days testify to the contribution that OPA price ceilings are making to the shortages of butter and cheese.

At Dixon, Ill., the Lakeshire Dairy division of Borden Company, employing 125 workers, is closing because the OPA ceiling for cheddar cheese at that factory is 27 cents a pound and a ceiling of 31 cents is required to break even. In addition, OPA's regulations encourage the diversion of milk to such products as ice cream.

At Fond du Lac, Wis., cheese-makers of the state voted to withhold from market their production of cheddar, which in a year amounts to 400,000,000 pounds until price ceilings take account of costs. The cheesemakers refuse to continue to take a loss of about 5 cents a pound. Butterfat costs from 78 to 86 cents a pound in Wisconsin and in some dairy products its use is economically feasible, but not in cheese.

At Minneapolis, Land O'Lakes Creameries, one of the nation's largest butter producers, announced the closing of one packaging plant and the curtailment of operations of two others because the ceiling price of 46 cents a pound for butter at the creamery is less than the cost of labor, feed and processing.

Officials in Washington have told the country recently that greater shortages of such dairy products were in prospect. They are thinking of rationing butter and cheese, along with other food items, again. But they don't tell the public that production of scarce foods is being discouraged by OPA policies.

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From The Times - Picayune, May 17 -

ALTERNATIVE TO RATIONING-Editorial-Householders can join the campaign to save food for the relief of the widespread famine abroad, confident that their undertaking will be worthwhile in more ways than one.

The food, in the first place, will save lives. There is no doubt as to this. The death rates from undernourishment already are very high in several countries. They will go much higher unless more food is provided quickly.

Our food saving, together with the government's wheat shipping program and greater emphasis on production is our alternative to a return to rationing.

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From Chicago Daily Tribune, May 20 -

TO RIGHT A GREAT WRONG-Editorial-Herbert Hoover came to Chicago to report to the nation on his survey of famine conditions in Europe and Asia.

He came to the right place. If the opinion of the people of the middle west had been consulted, the terrible conditions that prevail abroad would not exist; and if relief is to reach the victims, it will be provided not by the bleeding hearts of the east, but by the farmers of the middle west.

With characteristic dignity and self-restraint, Mr. Hoover refrained from denunciations. Mr. Hoover holds the commission of President Truman to get the facts about the famine and the means of relieving it. Least of all could he place the major share of the blame where it surely belongs, on Franklin Delano Roosevelt, whose brutality at Yalta is chiefly responsible for this famine and the famines that may well follow it. Mr. Roosevelt had all the cards in his hand at the Crimean conference. He could have dominated it for good. He chose deliberately to destroy Europe's economic system when he could have saved it and revived it.

As if that were not enough, Mr. Roosevelt filled the top ranks of OPA and other such agencies from his herd of sanctified jackasses. They did all that stupidity could do to prevent the production and proper use of foodstuffs in this country and abroad. The undersecretary of agriculture, Mr. Paul Appleby, was supremely confident that the world would emerge from the war with an immense surplus of wheat. OPA blocked the manufacture of farm machinery. The price of wheat was so fixed that hundreds of millions of bushels were fed to hogs. In the Argentine, with Mr. Appleby's approval, other millions of bushels were burned for fuel in power plants and locomotives;

Mr. Wallace, the pig-killer, encouraged the Russians to believe that they could loot Europe and Asia without losing our friendship. England was taught to count upon America as a permanent meal ticket. China's thieving officials were hailed as men of honor. Almost everything that could be done to promote famine was done by Mr. Roosevelt, and the few things that Mr. Roosevelt left undone were completed by Mr. Truman at Potsdam and subsequently.

Our people cannot disclaim responsibility for the record of the officials they elected. In a mood of shame and humility, we must undertake the task of righting the wrongs committed in our name.

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From The Commercial Appeal, May 21 -

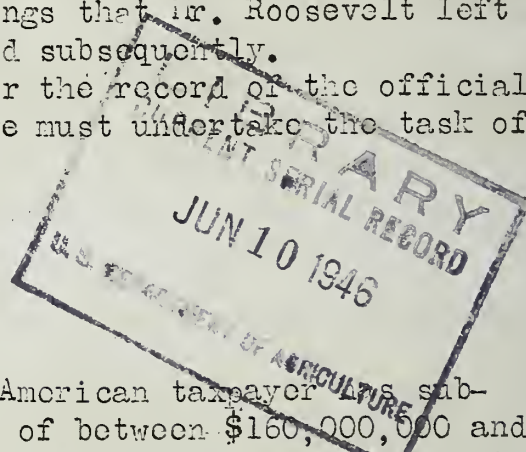
BRITISH COTTON MAN REVEALS U.S. SUBSIDY-The American taxpayer subsidized the British textile industry in an amount of between \$160,000,000 and \$200,000,000 under Lend-Lease, Hugh V. Stowell, British cotton merchant, writers from Liverpool.

Mr. Stowell, who is well known to Memphis cotton shippers, has been conducting a campaign to bring about the restoration of the Liverpool Cotton Market, which has been closed, he charges, for reasons based on "politics and class hatred."

The subsidy, Mr. Stowell charges, is that difference between what the British Government was charged for the cotton and the price it sold the raw staple to the mills. The difference in price ran as much as seven cents a pound, he points out. The United States subsidy on cotton exports is only four cents a pound.

He also attacks the policy of the British Government in buying Egyptian and other cottons and points out the unfairness of the system and the money that is being lost.

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(For May 27, 1946)

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 27 -

U.S. WILL SPEED UP WHEAT FOR EUROPE-Washington-The United States will set a record in sending food supplies to war-torn countries in the next five weeks, Secretary Anderson stated today. But he also said the search for wheat to ship abroad was not over, nor was the need for saving bread and other cereal products ended.

He reported to a radio audience that we had now shipped 326,000,000 bushels of wheat abroad, and were "in the final push" to fulfill America's promise of 400,000,000 bushels of wheat by June 30, the end of the current wheat marketing year. Mr. Anderson added:

"We are making a desperate effort to get every last bushel of wheat that we can possibly ship right now in the most critical part of the famine period. By conserving bread and flour now in the homes and in public eating places we will be able to stretch our supplies during this critical period."

Emphasizing this country's achievements in meeting the post-war food crisis, the Secretary said by the end of June this country would have exported about one-third of its 1945-46 wheat crop. He stated that two-fifths of the world's total exports of all grains for the 1945 and 1946 marketing year would consist of wheat from American farms.

Such record exports would cause not only the temporary shortages of bread and flour, currently felt, but also less pork, leaner beef and fewer poultry and eggs next year because of the feed shortage.

Confronted by this feed shortage, the Department of Agriculture would help the dairy industry continue its great wartime output, the Secretary said.

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WEEK'S BEEF OUTPUT AT 25% OF NORMAL-Chicago-Beef production throughout the country skidded to less than one-fourth of normal operating capacity in the week just closed, the American Meat Institute reported today in a statement that blamed the reduction on the Office of Price Administration's slaughter control order, put into effect as a "cure" for black markets.

During the week ended on Saturday, the institute reported, ten legitimate companies which normally supply beef to consumers throughout the United States dressed only 44,500 head of cattle.

This volume is 14 per cent below the 51,720 dressed during the same week a year ago. It is 70 per cent below the same week of 1941. The institute said.

"The figures give further evidence of the complete failure of OPA's slaughter control program.

"The control program is increasingly ineffective and the situation can be corrected only after Congress removes all controls from the livestock and meat industry."

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RESERVES OF LARD ARE REDUCED AGAIN AS SET ASIDE ORDERS TAKE 60% OF OUTPUT-Chicago-No change was shown in the domestic lard and shortening situation last week, Government set aside orders taking about 60 per cent of the output of lard and rendered pork fat.

(Turn to page 2 for other items in today's N.Y. Times.)

Farm Digest 1145-46

From The New York Times, May 27 -

HOOVER IN MEXICO CITY-Mexico City-Herbert Hoover and his party arrived here this afternoon on the first leg of the trip on which the former President of the United States will appeal to the Latin-American countries to contribute any surplus food to the needy peoples of Europe and Asia.

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UNRRA WHEAT HELD UP 2 DAYS BY RAIL STRIKE-Former Mayor Fiorello H. La Guardia said yesterday in a noon broadcast from WJZ that twelve ships were waiting to be loaded with 100,000 tons of wheat for distribution among famine stricken nations of Europe.

Expressing relief over the end of the railroad strike the director general of the United Nations Relief and Rehabilitation Administration said the tie-up had delayed UNRRA wheat shipments two days. He voiced hope for immediate settlement of the coal dispute, adding that "UNRRA did not ship one boat-load of coal last week."

Mr. La Guardia said the Emergency Food Collection "is getting on very nicely" and reiterated a preference for cash contributions rather than food donations "because it will be a great saving and avoid wasteful expenditure." He commended Mayor O'Dwyer for suggesting three wheatless days each week in hotels and restaurants.

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SPECULATIVE TRADE IN WHEAT STILLED-Chicago-Little hope of a revival in speculative trading in wheat futures for several months is expressed by grain brokers as the result of announcement that the Government will purchase 250,000,000 bushels of 1946 cash wheat to fill export commitments. As this is about 25 per cent of the anticipated crop, it will absorb virtually all the grain needed above domestic requirements, although mills will not be permitted to furnish the domestic trade with as much flour as they did last season.

Buying cash wheat by the Government at a price 30 cents a bushel over the ceiling price recently has failed to bring out as much grain as anticipated less than 50 per cent of the amount needed being procured to May 16, and it is now feared that farm reserves in the Northwest are not as large as anticipated. However, some relief is anticipated from the extremely early harvest in the Southwest where the new winter wheat has started to move to subterminal markets two to three weeks ahead of normal.

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GRAIN TRADING IN CHICAGO-Chicago-Trading in grain futures on the Board of Trade last week continued extremely slow, sales aggregating 36,409,000 bushels, largely in new oats contracts, or a daily average of about 6,000,000 bushels or virtually the same as the previous week. During the corresponding period last year sales averaged 28,900,000 bushels. Interest in wheat and rye was somewhat larger than in the previous week but there was little business in rye after May 22 when trading in the May future ceased.

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From the New York Wall Street Journal, May 27 -

WHEAT RUST DAMAGE SMALL, Chicago - According to reports of the Bureau of Entomology and Plant Quarantine there is little or no stem rust of wheat in Texas except in the North Central sections. There will be no appreciable rust damage in fields which have matured early but there are some late fields in which the rust may increase. Leaf rust was very heavy in the Denton section of Texas on May 1 and there were moderate amounts in the Temple area of Central Texas. By May 7, there were heavy infections in parts of Southeastern Kansas and in Southwestern Missouri. There is some leaf rust in Southern Nebraska, Iowa and Illinois and a trace in Ohio and as far north as Southern Michigan.

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CUBAN SUGAR EXPORTS TO HIT 4.2 MILLION TONS, Washington - The Agriculture Department reported that Cuba is expected to have about 4,200,000 tons of sugar for export from this year's crop, as compared with 3,470,000 from last year's drought-damaged crop.

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FOOD UNDER REGULATION, Editorial - Late last week the Department of Agriculture took action through its subsidiary agencies to allocate a quarter of this season's winter and spring wheat, estimated at 250 million bushels, to the government's export program. Instead of simple purchasing, it imposes a complicated set of requirements on wheat farmers and the grain trade. Farmers must sell at least half the wheat they bring to the country elevators; the elevator owners must sell at least half of the wheat they buy to the government.

Obviously nothing prevents the farmer who has storage facilities from holding on the farm as much of his crop as he likes, either for feeding on later sale. The present relation between grain prices and livestock ceilings encourages the slaughter of food animals, including poultry and dairy cows. But a resulting later scarcity of meats, milk and butter might easily reward the grain-hoarding farmer, ceilings or no ceilings.

A generation of experience with our government's interference with free markets to afford "farm relief" offers no basis whatever for hope that it can serve either the producer or the consumer of food. Now is as good a time as we shall have to set the food industry free to meet the world's need.

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GENERAL FOODS FLIES GEORGIA TOMATO PLANTS, Rochester, N. Y. - Birds Eye Snider Division of General Foods Corp. has flown in from Georgia 300,000 tomato plants for use in Western New York, and, transportation permitting, will fly in an estimated 2 million this year.

Chief advantage of the southern plants, officials pointed out, is the lower cost, since Georgia plants are grown in open fields while all plants in the northern regions are raised in greenhouses, an expensive operation.

Georgia tomato plants in large quantities can be purchased as cheaply as \$2 and \$2.50 a thousand, whereas hothouse ones cost \$10 to \$12 a thousand. Snider uses at least 5 million plants a year which are given to farmers.

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From the New York Journal of Commerce, May 27 -

COTTON PRICES RISE ON OPA CHANGES - Despite profit taking on the upswing prices closed at new seasonal highs in an optimistic session on the New York Cotton Exchange Saturday. The final range was up 6 to 11 points.

During the week, prices rose as much as \$5.05 a bale, with furthest advances in the most distant positions. Earlier in the week, conservative opinion had viewed the gains as a readjustment to the previous week's sharp decline. However, Washington news and the reportedly unfavorable offsets of weather on the new crop supported inflationary sentiment.

Active months opened with advances of 2 to 11 points. The rise was attributed to the price decontrol amendment drafted by the Senate Banking and Currency Committee. This legislation will transfer authority over pricing and decontrol of agricultural products from the OPA to the Secretary of Agriculture. Appeals from his decision may be made to a three-men decontrol board.

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From the New York Herald Tribune, May 27 -

U.S. TEA STOCKS LARGEST SINCE PEARL HARBOR - Tea stocks in the United States have reached a five-year high and are greater than at any time since the war began, the Tea Bureau, Inc., reported in its first 1946 quarterly survey of tea stocks in distribution channels. An estimated 43,611,000 pounds of tea were in the hands of importers, packers, jobbers, wholesale and chain grocery companies on March 31, the survey revealed.

This total is from 6,000,000 to 8,000,000 pounds higher than for any average pre-war year and nearly four times as great as the total on March 31 three years ago, when the government took over tea importation as a war-time measure. The previous high recorded in Tea Bureau survey was on Dec. 31, 1941, a few weeks after Pearl Harbor, when 48,631,000 pounds were reported in distribution channels. This total reflected unusually heavy imports of the previous half year, intended to build up supplies in case of war.

The present high stock level does not represent excessive amounts of tea in distribution, the survey explained.

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From the Baltimore Sun, May 27 -

FAO PLANS FOR FUTURE MEASURES AGAINST FAMINE, Editorial - One of the main results of the emergency FAO meeting in Washington is apparently to be the establishment of an enlarged and revamped version of the present Combined Food Board. The FAO is, of course, the Food and Agricultural Organization, the purely advisory and research outfit which is part of the United Nations structure.

Obviously a world food-planning program with Russia left out is far from complete..... For it is not as though detailed information on Russian agriculture were available even the governments don't know too much about Russian farm production. Our own Government's information, for instance, is mostly the work of only two men. One sits in an office in Washington and merely interprets--and very shrewdly--such official figures as Russia agricultural attache at Moscow, knows the fundamentals of Russian agriculture from a lifetime of study, but is permitted to see very little on a day-to-day or month-to-month basis.

Obviously the Western nations must continue to press for Russian co-operation in food if the world plan is to be at all complete.

From Des Moines Register, May 21 -

GREATER USE OF POTATOES IS PREDICTED-Potatoes will stage a comeback in menu planning, Dr. Ercel S. Eppright declared Monday.

As one means of easing the world food situation, Dr. Eppright, of Iowa State college, recommended hash browned potatoes for breakfast, potato salad for luncheon, and baked or whipped potatoes for dinner.

She also suggested mashed potatoes in bread-making and for topping meat pies.

Speaking at the Iowa Restaurant association convention in Des Moines, Dr. Eppright asserted cafe and hotel men and housewives will be forced to serve more potatoes, green and yellow vegetables, eggs, fish, corn bread, rice, and oat meal.

People will be "better off nutritionally for the change," added Dr. Eppright, head of the department of foods and nutrition at the college.

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From The Detroit Free Press, May 22 -

FOOD PINCH TIGHTENING IN DETROIT-Potatoes, macaroni and other bread substitutes are finding their way to Detroit tables in increasing quantities as bread lines at bakeries grow longer.

With meat supplies continuing to shrink, George Thierwechter, manager of the Detroit Union Produce Terminal, said there would be ample supplies of cabbage, onions and other vegetables.

"There will be all the potatoes people will need," Thierwechter said.

Besides shipments of last season's crop from Main and Idaho, new potatoes are coming into the market from California, Florida and Alabama.

The meat situation was described by B.V. Unwin, secretary of the Detroit Independent Meat Packers Association, as "growing progressively worse."

Detroit's slaughterers, upon whom the local consumers depend for their supply, will remain at a virtual standstill until June 1, when their next monthly quotas begin.

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From Chicago Daily Tribune, May 22 -

FOOD FOR THE WORLD-Herbert Hoover's proposals for reorganizing world food policies bring a new note of sanity into a discussion that was rapidly becoming hysterical. His program, presented to the food and agriculture organization of the United Nations, puts the famine problem in a new perspective which should help the world solve it.

Mr. Hoover points out rightly that charitable distribution, as it is now conducted, is wasteful and inefficient and demands that food production and distribution be returned to normal channels as rapidly as possible.

Mr. Hoover recognizes that feeding the hungry requires something more than hauling sacks of grain to famine areas. It involves paying the farmer who produced the grain so he can pay for the tools and fertilizers to grow more grain. It involves helping the people of famine areas with machinery and other supplies so they can produce food for themselves. In sum, it involves reestablishment of the world's marketing system which has prevented famines in all the world except India, China, and Russia for 100 years.

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From Watertown Daily Times, May 21 -

RUSSIA AND FOOD-Editorial-Herbert Hoover says that Russia, if she would, could furnish a million tons of food to relieve starvation in Europe and the Far East. Yet, to date, she has refused to participate in the United Nations campaign to furnish food to the famine victims. She has left the whole burden up to her former Allies.

The program to feed all the starving indiscriminately does not fit in with Russia's program. She prefers to use food as a political weapon. Nations that bow to Moscow get food. Those that defy Russian domination do not.

Thus Russia is using food which is needed by the Germans, the Austrians and the Poles, all in her sphere of influence, to curry favor in the Balkans. She even shipped wheat to France when she thought it would aid the Communist cause in that country.

Russia's failure to cooperate with other United Nations to relieve starvation is typical. She has refused likewise to cooperate in the making of peace treaties, in adjusting frontier problems, in a unified administration of Germany and in everything else that would build up a stable Europe.

Mr. Hoover's indictment of Russia probably will do no good in changing Moscow's food policy. But it will serve to pin the blame exactly where it belongs.

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From St. Louis Post-Dispatch, May 22 -

TO DEVELOP MISSOURI FORESTS-The history of Missouri's forests can be told in a few words: years of exploitation, then years of neglect. The results can also be briefly told: What might be a major asset for the State is instead a minor industry; in some sections, an actual liability.

Missouri has acres of useless stump-land, overgrazed areas bereft of trees and subject to ruinous erosion, destructive forest fires in the dry season, abandoned sawmill towns in counties with near-empty treasuries. It should have regular lumber crops ready for profitable harvesting from year to year, square miles of forest to provide shelter for wildlife and pleasant recreation areas, millions of trees to bind the soil, stop floods before they start and check the washing of topsoil down the rivers.

It can have all these if the Legislature passes a pending bill that will make possible a longrange program of reforestation and conservation. This bill, based on the new Constitutions' provision for tax concessions on lands where trees are planted, will encourage new forest development. By setting aside a badly needed fund for increased fire protection, it will protect the revived industry and remove a considerable public hazard.

The Conservation Commission is ready to go on this expanded program whenever the Legislature gives the word. But time is growing short, and immediate attention to the bill is required if its benefits are not to be postponed.

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From Chicago Daily Tribune, May 21 -

SELLERS OF FARM MACHINERY MAY SHUT IN PROTEST-Champaign, Ill., May 20- Howard Harshbarger, president of the Illinois Farm Implement Dealers' association, said yesterday members of his organization were considering locking up their sales rooms in a protest against OPA price regulations. He said a decision will be made at a meeting in Peoria Friday.

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JUN 3 1946

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

U.S. DEPARTMENT OF AGRICULTURE

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 28 -

RATION IS SOUGHT ON GRAIN FOODS-Washington-A special international conference on the world food crisis concluded its work today with the adoption of a stringent world-wide emergency food conservation program asking all nations to control the use and consumption of grain products by rationing or other means, reduce their output of livestock and poultry and impose tighter curbs on the use of grain in the production of alcoholic beverages.

Called hurriedly by Sir John Boyd Orr, director general of the United Nations Food and Agriculture Organization, the meeting has been in session since last Monday.

Today one of the three steering committees outlined and had accepted unanimously by the closing plenary session of the conference a food conservation program embodying these major recommendations:

An 85 percent extraction rate for wheat flour. The United States now demands an 80 percent rate under its own emergency program, compared to its normal rate of about 72 per cent.

The "stretching" of wheat flour by at least 5 percent through the use of other grain products and potato flour.

Limiting the use of grain in beverage alcohol and "other non-essential purposes" at least to present levels, and further reductions "where possible."

Consideration of bread rationing as a method of controlling distribution and consumption of grain and grain products "so that in the event of its being necessary to curtail the usage of wheat" and other grains at short notice, the machinery will be ready for effecting immediate reductions.

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BREAD WEIGHT IS CUT 10% JUNE 1-Washington-(UP)-The Agriculture Department ordered bakers tonight to cut the size of bread loaves and rolls 10 per cent by weight on June 1 with the weight of March 15, 1945, as the base.

The action, taken under an amendment to the War Powers Act, was designed to maintain heavy wheat and flour exports to famine areas and to stretch out the now short domestic bread supplies.

The department did not say what effect it would have on bread prices, if any. But presumably they will remain the same because the Office of Price Administration announced previously that bakers making such reductions voluntarily would not have to cut prices.

Most bakers who did not make the voluntary reductions said that they were afraid of violating conflicting State laws on bread weights. Officials believed that the new Federal order would supersede State law.

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BOWLES ACCUSES SENATORS ON OPA-Washington-Chester Bowles, Director of Economic Stabilization, accused the Senate Banking and Currency Committee today of "quietly and effectively cutting the heart out of price control with a dull knife" while public attention was focused on the rail and coal strikes.

(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, May 28 -

SEE HIGHER MILK, BUTTER AND CHEESE-Washington-An increase in the retail prices of dairy products, lifting milk by one cent a quart, butter by 10 to 12 cents a pound and cheese by 5 to 6 cents a pound, will be announced soon by Chester Bowles, Director of Economic Stabilization.

The decision based on consultation of the stabilization agency, the Office of Price Administration and the Department of Agriculture, was said to have been based on these grounds:

To provide compensation to producers for their higher costs resulting from increases earlier this month in grain and dairy feed prices.

Recognition of the prevailing opposition in Congress to new food subsidies and to extended continuance of existing ones.

It is understood that the interagency meetings produced a decision to withdraw an increase in subsidies for dairy products which had been scheduled for July 1.

Officials expressed the view that the dairy price increases would be the first of a series of upward adjustments.

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BROWN-FORMAN DISTILLERS VOTES 100% DIVIDEND-Louisville, (UP)-A 100 percent common stock dividend was voted today by the directors of the Brown-Forman Distillers Corporation, subject to the approval of stockholders at a meeting called for July 23.

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JOHN STRACHEY NAMED BRITISH FOOD MINISTER AS SIR BEN SMITH RESIGNS AFTER TEN MONTHS-London-The resignation of Sir Ben Smith, Minister of Food, and the appointment of John Strachey, Under-Secretary of Air, to succeed him were announced tonight from 10 Downing Street.

Sir Ben endured a "very heavy burden of work," the announcement said, and had asked to resign at Easter, but at Mr. Attlee's request he stayed on until after the Washington visit of Herbert Morrison, Lord President of the Council. Sir Ben said he had had "a very difficult and exhausting time" trying to keep Britain adequately fed while at the same time assuring that she "made a fair contribution to the solution of the world's food problem."

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NO NATIONALIZATION FOR BRITISH COTTON-London-The retention of private enterprise for Britain's embattled cotton industry is recommended by the Cotton Working Party, Appointed by the Labor Government, in a 280-page report issued today. Last week the Working Party for the pottery industry likewise expressed itself in favor of free enterprise.

These Working Parties, which are named by the Board of Trade, contain labor unionists from main sections of industries, employers and independents. No trade union members of the cotton Working party voted for nationalization.

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From the New York Journal of Commerce, May 28 -

COTTON PRICES OFF AS MILLS HESITATE - Despite settlement of the rail strike and restrictive amendments to OPA legislation, cotton futures declined as much as \$1 a bale in a fluctuating session on the New York Cotton Exchange yesterday. The closing range was off 14 to 20 points.

Mills remained hesitant to make commitments. This was attributed to the soft coal walkout. The problems of transportation of supplies and of power for operations were not solved for the mills by termination of the railroad strike. Fuel shortages persisted as factors in both fields.

The market seemed to ignore the inflationary factor involved in the unfavorable weather delaying progress of the new crop. Also ignored was the possibility of expanded exports of raw cotton under the \$2,000,000,000 loan proposed for France.

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RAW COTTON SUPPLY LARGE IN ENGLAND - Cotton Control is not purchasing from overseas at the present time. Stocks already acquired are substantial. No further purchases of American cotton appear likely before autumn. The amount bought then will necessarily be affected by the proposed dollar loan.

No cotton can be bought from Indian shippers during the next three months. Supplies of Brazilian and Egyptian cotton already secured are more than ample. The control is committed to purchase most of the current Sudan crop and a good part of the 1946 British East and West African crops, and probably will make additional purchases of any Belgian Congo surplus not required by Belgian spinners.

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VISIBLE WHEAT AND CORN SUPPLIES RISE SHARPLY, Chicago - Visible supply of wheat increased 4,416,000 bushels to 22,836,000 bushels this week, the Board of Trade reported today.

Corn increased 1,137,000 to 25,757,000 bushels, oats decreased 1,412,000 to 6,982,000, rye decreased 173,000 to 407,000 and barley decreased 582,000 to 5,331,000.

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GOOD CROP NEWS SPURS OATS SELLING - A reactionary trend in new and old oats contracts at Chicago, where losses ranged from fractions to more than 1c a bushel, reflected commission house selling stimulated by the favorable new crop outlook and expectations of reductions in feeding requirements during the coming season.

The new oats crop has been favored by frequent rains recently and with the large indicated acreage the outlook for a bumper crop is good at this stage.

The cash oats market remained firm as offerings for early delivery were small but this situation was due, in large measure, to the extreme tightness in other grains which has tended to enlarge the demand for oats.

As a result, some houses were urging caution in the belief that oats will be the first to be affected by any easing in the over-all supply position or any let-up in feeding demands.

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From the New York Wall Street Journal, May 28 -

SUGAR NEGOTIATIONS for Cuba's 1946 and 1947 crops should be completed soon. After almost a year of polite haggling over terms of sale, the only important point of difference between U. S. and Cuban negotiations is the price on the 1947 crop. Cuba has urged waiting until the end of 1946 before agreeing on the 1947 price. By that time, the Cubans reason, they will know how much the food they buy from the U. S. is going to cost them.

The U. S. wants Cuba to agree to the 1946 price of \$3.675 per hundred pounds for 1947 also, but has offered an escape clause permitting an increase if the U. S. cost of living index takes an inflationary rise. U. S. negotiators now think an agreement can be reached without much more delay.

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WINTER WHEAT production will be well above that officially predicted May 1. That's the opinion of grain men based on the present condition of the crop. One expert crop appraiser now thinks the Texas crop will be 25% better than the last Government estimate, the Oklahoma harvest 34% better, and Kansas production 4% greater.

A pessimistic note comes from Canada. The Canadian crop report, due this afternoon, is expected to indicate wheat crop deterioration because of drought.

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SOYBEAN FLOUR is getting a rush by bakers, hard-hit by the wheat scarcity. About 50,000 sacks of it were grabbed up by bakers recently in the New York area. The bean flour can be mixed to the extent of 3% with wheat flour in bread making. The percentage is raised to 10% in cake flour.

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CALIFORNIA'S RICE - Meridian, Calif. - California's rice paddies are turning green with wheat promises to be the largest crop in the state's history.

September's harvest, if all goes well, should come close to 700 million pounds.....This will be almost double the 1941 output.

In normal times that would be only a few grains in the world's rice bowl. The U. S. grows, ordinarily, about 1% of the total rice supply, a fourth of it in California and the remainder in Louisiana, Texas and Arkansas.

So heavy are world rice demands, the Government is taking 70% of California's short-grain, Japan-type rice and 35% of the South's long-grain for export.

During the first half of the 1945-46 marketing year (October to April), about 426 million pounds were shipped from this country, chiefly to Cuba, the Netherlands East Indies and the Philippines. The U. S. rice quota for the second quarter of 1946, as set by the Combined Food Board, is approximately 249 million pounds.

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U.S. TO GET 80 MILLION BUSHELS OF WHEAT UNDER BONUS PLAN, Washington - Agriculture Department officials said preliminary reports yesterday indicated the Government will obtain upwards of 80 million bushels of wheat under the 30-cent-a-bushel bonus offer which expired last Saturday. The wheat was bought for export to hungry areas abroad.

From The New York Times, May 26, 1946

RELIEF OF HUNGER A LONG-RANGE TASK-Washington, May 25 - Some of the world's population of human beings were dying of starvation every day this week and the single bleak statistic which told the story best, if most grimly, was the difference of 10,000,000 tons of wheat between what the earth is producing and what is needed.

Upward of 500,000,000 persons, all told, are marked for death or disease by this deficiency. More are acutely hungry, more suffering from malnutrition, more collapsing from lack of food than history ever recorded. There is grief and fear and hatred and misery today because the fertility of the soil, scarred by war and bleached by the sun, has produced too little food to go around, and man has divided poorly what food there was.

Into this picture at an emergency conference of the U. N. Food and Agricultural Organization Monday there marched twenty-three nations, bent on reducing, if possible -- and to some it did not seem likely -- the gap between the supply and the requirements of the world's food resources. While their eyes were on the immediate crisis they were also, however, clearing the way for future plans and future organizations which, nature willing, would prevent such a shortage of foodstuffs from ever appearing again.

There is disagreement on the possible duration of the scourge. There is disagreement on how to handle it on either a short or long range schedule. And there is disagreement as to the measures the world must some day take to prevent such a crisis from ever striking again.

As to the duration of the food crisis, Herbert Hoover, who may be addressed as the Honorary Chairman of the Famine Emergency Committee, but is known also as America's Ambassador of Good-Will and one of its most noted authorities on relief, predicted on Monday that the "crisis" would be over by Sept. 1.

But the notion that it was a "ninety-day crisis" brought a worried correction from Sir John Boyd Orr, Director-General of the FAO, who predicted that the emergency might last for four or five years. His organization, in a special memorandum, stated that the "crisis" would continue for at least eighteen months that acute food shortages might last for years in some areas.

And the Secretary of Agriculture, Clinton P. Anderson, had another forecast.

"This winter and the coming spring," he said, "will present problems quite as serious as we now encounter."

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FAVOR CONTROL END ON MEAT AND MILK-Washington-Amendments eliminating price controls on meat and poultry and on milk at the end of next month were added today to the price control extension bill which the Senate's Banking and Currency Committee is drafting.

Both amendments were sponsored by Senator Ernest W. McFarland, Democrat, of Arizona.

One called for the decontrol of "milk, and food and feed products processed or manufactured in whole or substantial part from milk." That passed nine to eight. The other covered "livestock and poultry, and food and feed products processed or manufactured in whole or substantial part from livestock or poultry." It was passed ten to eight.

The action was a blow to the Administration hopes that the committee would draft a bill containing substantially the same features as the present law. Last Thursday President Truman appealed to the committee to draft a bill renewing price controls for another year "without amendments" that would jeopardize price stability.

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From The Baltimore Sun, May 26 -

GOOD WEATHER NEWS IN WHEAT IS LITERALLY MANTA FROM HEAVEN-Editorial-In a world desperate for wheat and likely to remain so for at least five years, news of good wheat crops is of top importance. Such news comes now from the Texas and Oklahoma fields, where the 1946 winter wheat crop is coming along unusually well; and from the Ukraine, where eleventh-hour rains have appeared. The reports from our own Southwest are particularly interesting because they suggest that one more bumper crop is at least not wholly inconceivable.

The fact is that the wartime bumper crops in the United States have been almost a modern miracle. Production has gone from the prewar averages of around 700,000,000 bushels a year to a billion bushels and more year after wartime year. And what is even more remarkable, this has been accomplished without much of that risky plowing up of new land which occurred in World War I and led to the terrible dust-bowl conditions of the thirties.

These yields have occurred in a time of drastic manpower and machinery shortage. What explains them? A long sequence of phenomenally good growing seasons, for one thing. Also more scientific methods of cultivation and of harvesting. But above everything, the everlasting will of farmers, whatever happens (though preferably for good prices), to work, work, work, produce, produce, produce.

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From The Boston Herald, May 23 -

ANDERSONIAN DECONTROL-Editorial-The Senate Banking Committee, in seeking means for decontrol of prices, has lighted on a peculiar device. It has voted to give Agriculture Secretary Anderson final powers to determine when ceilings should be removed from farm products. This Bowles-to-Anderson play is certain to expedite ceiling removals, for Mr. Anderson likes to see the farmer prosper, and Senator Bankhead, farm bloc leader, knew what he was doing when he offered the amendment. But it looks a little like jumping out of the OPA frying pan into the Department of Agriculture fire.

Few have been as wrong on food as Clinton P. Anderson since he became Secretary. He stepped out first to do battle with the agricultural surpluses which he somehow seemed to discern impending. Only when the fact of world starvation became terribly obtrusive did he give up this concern, but then only reluctantly, and always with the seeming expectation that presently there would be those surpluses. He tackled the food program with expedients and half-measures, such as the 30-cent bribe to wheat farmers, which he promised would produce a "springtime flood" to the elevators, but which hasn't. We are still far short of our goals.

No, Mr. Anderson seems hardly the man to put a balance wheel on OPA.

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UNITARIAN GROUP ADVOCATES FOOD RATIONING IN WORLD CRISIS-Immediate return to compulsory food rationing to make more food available for the starving of Europe and Asia was urged yesterday in a resolution adopted by more than 600 members from the United States and Canada of the General Alliance of Unitarian and Other Liberal Women at their annual meeting here.

In the resolution addressed to President Truman, Secretary of Agriculture Anderson, Fiorello La Guardia, director of UNRRA, and former President Hoover, the women said, "Unitarian women are eager to do their utmost to feed millions in Europe and Asia who are threatened by death through starvation."

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2514 (The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 29 -

FOODS OF HIGH VALUE WANTED BY HOOVER-Mexico City-Herbert Hoover, who is here on the first lap of a swing around Latin America to obtain food for famine areas abroad, said today he felt that he was now fighting the final round of the battle. But he refused to give any indication of how much food tonnage he expected to line up on his tour.

"My main concern now," he said, "is that 300,000,000 people get by till the first of September."

Mr. Hoover doubted if any of the needy countries had more than one month's supply on hand. In such an emergency-he was interested only in commodities with high food value such as wheat, rice and fats. This kept him from taking advantage of such Mexican surpluses as fruits and vegetables.

Summing up the results of his visit, Mr. Hoover said, that Mexico was taking "her full part."

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FOOD CRISIS ENDED AUSTRIAN REPORTS-Vienna-Hans Frenzel, Austrian Minister for Food, reported to the Cabinet today figures that showed the worst point of the food crisis had probably been overcome although the country would still be hungry.

He said he felt almost certain that the June minimum ration could be about 1,200 calories a day. It has been about 900.

Herr Frenzel declared that a minimum ration of more than 1,000 calories a day seemed assured for July under the present schedule of food ships of the United Nations Relief and Rehabilitation Administration and that he hoped to improve this later.

The Food Minister added that an adequate supply of potatoes had been obtained to carry the country through until harvest.

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SEVERE SHORTAGE IN MEAT PREDICTED-New York's severest meat shortage in many months will confront consumers this week-end as the combined result of the recent rail strike and the organized shutdown of at least 30 percent of the city's meat wholesalers. Clyde F. House, market news analyst of the Department of Agriculture, predicted yesterday.

Confirming Mr. House's picture of the meat situation as "extremely dark," a spokesman for one of the nation's leading packers declared the industry was experiencing a "vacuum" resulting not only from last week's rail shipment disruption but from uncertainty that began to cut down cattle receipts from growers two weeks before the strike was called. He forecast a continued lull of a week or two before those receipts rise to the level they held before the strike threat materialized.

The Government analyst reported that except for an odd carload of Western dressed meat stranded during the strike that finally reached New York yesterday morning, supplies were "virtually nil" for the wholesalers who are still operating. (Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, May 29 -

BUTTER AND MILK PRICES-Editorial-Prices of dairy products are to be raised soon. The retail price of milk will be increased by one cent a quart, butter by 10 to 12 cents a pound and cheese by 5 to 6 cents a pound. These higher prices have been necessitated because of the higher costs incurred by the dairy farmer. Previously it had been hoped that these costs could be met by higher subsidy payments. However, the Congressional opposition to continuing even the present level of food subsidies has made it necessary to change this plan.

This increase in prices instead of higher subsidies is a step in the right direction. Higher costs should be honestly reflected in higher prices, especially since they frequently reflect the effects of ill-advised national policies. Such cost increases should not be hidden by subsidy payments. Dairy production subsidies are now being paid at the annual rate of more than \$500,000,000. The subsidy already is equal to more than 10 cents a pound for butter, $1\frac{1}{2}$ to 2 cents a quart for milk, and equivalent amounts for other dairy products. It has been argued many times that the present subsidies should not be removed because a substantial increase in prices would be necessary. If it is difficult to remove the present subsidy payments because of the substantial price increases required, how much more difficult would it be to remove them at a later date if these subsidies were still larger?

Large subsidy payments add to the inflationary pressures. They also inject a high degree of artificiality into the market structure. It is important, therefore, that subsidies be eliminated gradually, as Congress is planning. Clearly an important first step in that direction is to prevent increases in subsidies and to allow cost increases to be honestly reflected in higher prices. Only in this way will the American people see the effects of our present national policies and be made aware of the dangers inherent in them.

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SELLING PRESSURE ARISES FOR OATS-Chicago-Reported rains in southern Alberta and Montana, with a forecast for showery conditions in other parts of the Northwest, increased selling pressure on oats in the late trade, and prices eased, with closing prices $1\frac{1}{8}$ to $3\frac{1}{8}$ cent a bushel lower than yesterday. In Minneapolis oats were off $7\frac{1}{8}$ to 1 cent. The market there was also affected by the prospects for much-needed rains.

Outside of the oats market there was little activity in grain futures at Chicago. A few trades were made in corn at ceiling levels. No change in cash wheat or cash corn was noted. Country offers of all grains were extremely light.

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DROUGHT PERILS CANADIAN CROPS-Ottawa-The Dominion Bureau of Statistics said today that immediate rain was needed on the prairies to prevent deterioration of crops. The average fall since April has been far below normal in the country.

STRACHEY PLEDGES VARIETY IN FOODS-London-Hon Strachey began his career as Food Minister today by promising the British people, long suffering over their dreary, monotonous wartime diet, that his first task would be to see what he could do about introducing more variety into food rations.

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From the New York Journal of Commerce, May 29 -

AGRICULTURAL LOANS RISE - Non-real estate agricultural loans aggregating \$1,009,600,000 on Jan. 1, 1946, were held by all insured banks in the United States, a report by the American Bankers Association disclosed yesterday.

This was an increase of almost \$100,000,000 over the total of these loans outstanding on Jan. 1, 1945, the report stated. The largest increase of non-real estate bank credit occurred in California, it was found, where loans on Jan. 1 approximated \$91,800,000, a rise in excess of \$26,000,000 over the amount outstanding a year previously.

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COTTON PRICES RISE - Prices in all months rallied strongly yesterday, pushing into new high ground in an irregular session on the New York Cotton Exchange. The closing range was up 23 to 31 points.

The rise was based on prospective settlement of the coal strike and a revaluation of factors which had caused the sharp decline on Monday. With the end of the fuel shortage in sight, textile mills were expected to re-enter the market.

Another factor was the prospective ending of high margins now required by order of the OPA. Local traders, however, were uncertain whether the Senate Banking and Currency Committee had amended price control legislation to make such order illegal.....If the margin order becomes illegal, renewed buying activity is expected to move prices up steadily.

New crop months felt the impetus of unfavorable weather and infestation reports. The advance in distant positions was more marked than that of nearby deliveries. Reports from Texas confirmed previous indications of heavy weevil emergence which can be halted only by hot dry weather during the next month.

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CEREAL PRODUCERS - There have been no reports of releases of Government-owned corn to processors for domestic consumption, although considerable quantities were being ground for UNRRRA.

On May 10 the Government purchased 32,104,500 pounds of degerminated corn meal and grits after furnishing the corn to the mills, thus providing badly needed running time.

However, without access to Government-owned corn the outlook for meal production for the domestic trade appeared bleak as the country has shown no disposition to sell at the new ceiling, and since ending of the Government bonus program there have been renewed reports of black market operations.

Constantly shrinking oats stocks in commercial channels emphasized the difficulty confronting millers in their search for grain and explained inability of many mills to accept new business.

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BUTTER WITHHELD PENDING PRICE RISE - Another full day of anxiety in the entire dairy industry, and particularly the butter and cheese branches, has passed with no clarification from Washington as yet of the importantly revised dairy pricing and control program. Unofficial reports that the move would soon be forthcoming have tended immediately to cut down willingness to sell both butter and cheese. This has further decimated supplies immediately available with legitimate outlets especially severely pinched.

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From the New York Wall Street Journal, May 29 -

PURCHASING AGENTS BARTER, BORROW, SUBSTITUTE MATERIALS FOR INDUSTRY, Chicago Buyers for industrial firms all over the country, here for the 31st annual convention of the National Association of Purchasing Agents, agree that the period of wartime priorities and red tape was a picnic compared with what they're up against today.

With shortages hemming them in on all sides, the men who buy for industry say scarce commodities often talk louder than cash.

Corn refiners, for example, now guarantee to deliver operators of grain elevators one carload of cottonseed meal for an equal amount of corn, according to Robert W. Black, purchasing agent for Pencik & Ford, Ltd., Inc.

"We have bartered with elevators with feed, tankage, men's shirts and practically anything else anybody wants to get his hands on," Mr. Black said.

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LOW LEATHER SHIPMENTS CURTAILING SHOE OUTPUT - Shoe factories are grinding to a stop because of the Office of Price Administration's delay in granting promised price relief to the tanning industry, it was charged yesterday by J. W. Stephenson, executive vice president of the National Association of Shoe Manufacturers.

Some tanners frankly admit holding off shipments to benefit from price rise he charged.

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U.S. EXPORTING HIDES - The United States, which normally imports hides for domestic use, is on an "export basis" for the first time in more than 50 years.

The United States, a member of the International Hide Control Group, is currently obligated to export 170,000 hides a month. During the first quarter of this year, monthly shipments amounted to 200,000. In addition the United States is supplying 30,000 hides a month to U.N.R.R.A.

Under the control agreement, imports permitted to the U. S. amount to only 30,000 hides per month.

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CANADIAN VISIBLE WHEAT SUPPLY DROPS, Winnipeg - Visible stocks of Canadian wheat revealed a further sharp decline for the week ending May 23 with supplies dropping more than 4.5 million bushels to the low figure of around 67.5 million bushels. This is the smallest visible total since 1938 and is 226 million bushels below the total for the like period a year ago.

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PHILLIPS PACKING CO., INC. - Phillips Packing Co., Inc., traded on the Curb, reported net sales in the fiscal year ended March 31, 1946, of \$27,353,155. On this amount, the company was able to realize net income of \$1,692,723 equal to \$3.49 on each of the 475,000 common shares outstanding. For the fiscal year ended March 31, 1945, Phillips earned \$750,027, equivalent to \$1.51 a share. In its latest fiscal year, the company paid \$2.3 million in excess profits taxes.

The company plans to enter the frozen foods business and is currently building a modern quick-freeze and cold storage plant at an anticipated cost of around \$800,000. So far, contracts aggregating approximately \$300,000 have been let. Present plans call for operations to begin in about six months.

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From the St. Paul Pioneer Press, May 22 -

PACKERS DENY OPA CLAIM OF MORE MEAT - Meat production in St. Paul has not increased appreciably since the OPA clamped on its April 28 slaughter control order, officials of the two largest packers here said Tuesday night.

Their statements were in direct contradiction to an estimate made Tuesday by Rae E. Walter, Chicago, regional OPA director.

Walter was quoted by the United Press as saying that meat coming from St. Paul "has increased 30 per cent since the control order."

A. I. G. Valentine, general manager of Swift & Co., said the meat situation "is as bad as it ever was before the order, if not worse."

"True," he pointed out, "we did have a little 'flurry' early in the month but last week our receipts were so low we didn't make our guarantee of 36 hours of work for our employees."

"Cattle receipts at Armour & Co. have not increased at all," Cyril C. Sheehy, general manager, declared.

"We increased our gang for a short while expecting an increase, but last week had to let them go," Sheehy said.

Walter said that department of agriculture figures show that St. Paul produced 2,500,000 more pounds of meat in the week ending May 11 than it had before the order went into effect. Chicago, he said had 1,500,000 more pounds.

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From the Milwaukee Journal, May 23 -

FARM SUBSIDY HOTLY ARGUED - A statement by Carl Taylor, Waukesha banker-farmer, that he was being paid for not raising wheat while the government was seeking to increase wheat production was termed "completely wrong" Wednesday by Joseph A. Briarton, Waukesha county AAA chairman.

Taylor had made his assertion in a WMJ broadcast, "Milwaukee Speaks," as he attacked shipments of food to Europe. Explaining his statement, Taylor said Wednesday:

"Under the AAA soil conservation program here, I as a farmer am not free to grow the crops I want to grow. Our 300 acre farm always grew wheat before this program came in, but now the government is trying to make us alter our pattern of production. It is trying to drive us out of the production of grain, butterfat and sugar beets and into the production of grass fed animals. And it's paying us to alter our production to fit the pattern it desires.

Taylor said his annual check from the government amounted to about \$1,500.

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SAVE THE SOIL, AIM OF GROUP - Conservation of America's soil resources is the major problem facing farmers and urbanites alike, W. D. James, president of the James Manufacturing Co., Fort Atkinson, asserted at an organization meeting of a southeastern Wisconsin chapter of the Friends of the Land Wednesday.

"The day is here," said James, "when more of industrial America should become interested in agriculture and more of agricultural America should become interested in industry. One can't prosper without the other."

James praised Wisconsin farmers for the strides they have made in fighting erosion. The protection of soil through the control of rain water and snow-fall must "become second nature" with all persons if America is to conserve its resources fully, he said.

He urged the wiser use of good acres and the return of the nation's marginal lands to reforestation, wild life preservation and other purposes.

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From the Times-Picayune, May 23 -

RESEARCH MAIN HOPE OF COTTON - With proper research, cotton and cottonseed products can meet the competition they face from rayon, nylon, chemical and other products, Dr. M. K. Horn, Jr., National Cotton Council, Memphis, Tenn., said in New Orleans Wednesday.

The Southern regional research laboratory in New Orleans will expand its facilities if Congress approves a proposed bill asking for \$26,000,000 for research in the cotton industry, Dr. Horn told members of the National Cottonseed Products' Association at the closing session of its annual convention.

"Other laboratories will be created throughout the South," Dr. Horn added, "to work for the utilization of cotton and cottonseed products and state experimental laboratories will be enlarged. Private laboratories will take part in the program."

Paul T. Truitt, President of the National Association of Margarine Manufacturers, Washington, D. C. outlined the work his association is doing to acquaint the public with the nutritive value of margarine.

Approximately 50 per cent of all oils used in manufacturing margarine is cottonseed oil, Mr. Truitt said.

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From the St. Paul Farmers Union Herald, May 17 -

OH, WHAT DISTRESS! - The National Tax Equality Association reportedly is outraged because the conclusions and recommendations of the House committee on small business support the position of farmers' cooperatives in the tax controversy.

The NTEA's indignation is readily understandable. For this organization, as charged many, many times is primarily interested in crippling or destroying the cooperative movement because it fears growing competition. "Equality" is just a word to the crowd that runs the NTEA show.

Actually, the taxes imposed by government on profit corporations have never even minutely injured those corporations. For those taxes are collected from the consumer by the corporation which prices its goods to include them, along with a good healthy profit.

As the ringleader of the NTEA show himself has pointed out publicly, "Business is a tax collector for our Uncle Sam. The manufacturer, the wholesaler and the retailer must price their goods to include the taxes that they pay to Washington."

And, at the end of the year, private corporations pay the tax portion of their receipts over to the government and keep the balance.

Despite all the high taxes paid by business on account of the war, profits after the taxes were paid have climbed to record billions.

So, when the NTEA or any other spokesman for the private profit crowd cries about tax inequality and pouts about a setback in its drive against the co-ops let's just put them down for what they are -- the spoiled and pampered pets of our economic society.

From the Weekly Kansas City Star, May 22

MEET TO PLAN A WAR ON COTTON-DAMAGING INSECTS, Oklahoma City - Plans for aggressive war on the boll weevil, fleahopper, leafworm and other cotton insects were outlined here by ginners, farmers, agricultural extension and experiment station workers, and other cotton interests last week at the second Southwestern Conference for Cotton Insect Control here. Texas, Oklahoma, Arkansas and Louisiana were represented at the meeting.

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Farm Digest 1175-46-6

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, May 31 -

31 NATIONS FORM WORLD FARM GROUP-London-After weeks of closed committee meetings, representatives of thirty-one nations have hammered out a constitution for the International Federation of Agricultural Producers that will be, in effect, a world pressure group to obtain for farmers assured prices and markets and for all peoples an improved nutritional diet.

The British delegates led the successful fight in the committee to establish the federation immediately, with a provisional council empowered to consult with and advise the United Nations food and agriculture organization and any other action bodies that may be set up. The federation will be non-governmental and, as such, a non-action group.

The decision to organize the federation now, which will be voted on formally at the concluding plenary meeting of the producers' conference tomorrow, was opposed mainly by New Zealand and three of the four United States farm organizations represented at the conference; it has been supported strongly by the National Farmers Union of America.

Basically, what the producers are trying to do is to win independence from restrictive government action and at the same time obtain government support of prices and consumption.

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FARM GROUP FOR CASE BILL; BUREAU DIRECTORS URGE TRUMAN TO SIGN IT-Chicago-Directors of the American Farm Bureau Federation urged President Truman today to sign the Case labor bill, saying:

"We believe the overwhelming majority of the American people favor this legislation."

The directors, declaring the federation represented a million farm families in forty-five States, expressed their views in a telegram to Mr. Truman in which they said.

"The Case bill provides effective permanent legislation to deal with continuing problems. It is equally fair to both labor and management. It also protects the rights and liberties of the public against unfair, monopolistic practices and racketeering--none of which by any stretch of the imagination can be called 'legitimate gains of labor.'"

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NO MEAT IN SIGHT FOR THE WEEK END-There will be so little meat for retailers this week end that most of the neighborhood butchers will not bother to open their shops today, a city wide poll of the trade indicated yesterday.

Butchers said there was less meat for retail sale in New York at present than during the leanest days of wartime rationing.

The specter of the worst shortage of available meat in the nation's history between next week and June 30 haunted Government officials, retailers, and housewives as a result of the Senate Banking and Currency Committee's vote for abolition of meat price control at the end of next month.

The June meat famine, if it develops, will be largely artificial and caused by the withholding of meat on the part of the big packing companies for the higher prices that would follow the lifting of Government controls.

(Turn to page 2 for other items in today's N.Y. Times.)

Farm Digest 1135-46

From The New York Times, May 31 -

FOOD CUTS OPPOSED BY HOUSE OF LORDS-London-The accuracy of Herbert Hoover's estimate that Europe needed at least 8,390,000 tons of wheat up to the end of September was challenged in a debate in the House of Lords today and Viscount Addison, Dominions Secretary, speaking for the government expressed the belief that this figure was an overestimate.

It is difficult to assess the figures fairly, he said, adding "one sometimes wondered whether the claims put forward had been mixed with political as well as economic motives."

Lord Llewellyn, a former Food Minister, criticized Herbert Morrison's negotiations in Washington, which he summarized as "giving away 200,000 tons of wheat without getting any firm commitment in return."

He asserted that all other countries in the United Nations should descend to British consumption levels before the people here were asked to restrict themselves further.

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WOMEN BACK FOOD PLEDGE-Washington-More than 1,000,000 men and women in the United States are now being enrolled by B'nai B'rith Women in pledge to support the President's Famine Emergency Committee in its efforts to win the global war against mass starvation. The pledges will be presented to President Truman late next month.

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FIRST U.S. RAW COTTON ON ITS WAY TO JAPAN-Tokyo-Japanese authorities were notified today to prepare to take delivery of 43,311 bales of American raw cotton arriving June 3 and June 10 in approximately equal shipments. These are the first consignments of the 800,000 bales due to arrive before the end of the year.

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HOOVER IN BOGOTA FOR FOOD AID-Bogota, Colombia-Herbert Hoover, chairman of President Truman's famine emergency committee, arrived at noon today from Panama in a tour of Latin America seeking larger contributions in the struggle against hunger. President Alberto Lleras received the former United States President shortly after conferring with Colombian officials on means of increasing this country's help to Europe's needy. Mr. Hoover will go south tomorrow.

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SKYWRITING IS USED ON CONGRESS-Washington-A message to Congress was written in the sky over the Capitol today "save price control." It was the first time that skywriting had been used for such a purpose so far as Capitol attaches could remember. The plane was sent by the Pepsi-Cola Company "as a public service," its statement said, "and because we are convinced that the message to our lawmakers reflects the wishes and opinion of the public."

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From the New York Journal of Commerce, May 31 -

DECLINE CONTINUES IN OATS FUTURES - Continued heaviness in new oats futures which lost as much as a cent and a fractional setback in March corn from the ceiling where it had held for several days featured trading in the Chicago market on Wednesday.

Bearish sentiment in oats again was influenced by the favorable new crop advices which, with the large stocks still remaining on farms from the last harvest, held forth the promise of an extremely heavy supply for the 1946-1947 crop season.

Some selling was also stimulated by slightly larger country offerings of oats and further reports of corn planting in excess of earlier intentions due to improved soil conditions and the recent advance in the ceiling price for that grain.

The combination of a large corn crop and a reduction in feeding demands, as currently anticipated, would greatly restrict the demand for oats which has been of unprecedented proportions over the scarcity of offerings of other grains.

Trading interest in other new grain contracts was extremely light but prices held at ceilings with the exception of barley which dipped 1c without any trades being recorded.

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EASTERN CO-OP'S SALES GAIN 24% - With wholesale business for the first quarter showing a 24 percent increase over the same period in 1945, consumer owners of Co-operatives from Maine to Maryland will discuss a five-point program of expansion at the annual meeting of Eastern Co-operative Wholesale, Saturday and Sunday, June 1-2.

Particular interest will be focused on proposals for: (1) expansion of the line of non-perishable groceries; (2) emphasis on perishable goods within a radius of 40 to 50 miles of each warehouse; (3) expansion of household and automotive supplies; (4) assumption of a full line of electric appliances; and (5) extension of warehouse facilities.

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From the New York Herold Tribune, May 31 -

END DEMANDED TO SECRECY ON FOOD ALLOCATION, Washington - A Republican Congressional food study committee demanded today that the Agriculture Department "lift the war-time veil of secrecy" from plans for disposal of America's food supply.

Since the start of the war, the committee said, the department has been making up "allocation sheets," showing for a year in advance quantities earmarked for military use, relief, etc.--and the quantity remaining for civilians. These sheets, it said, are still "restricted," making public disclosure a criminal offense.

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From the New York Herald Tribune, May 31 (Cont.) -

***46 CROPS HELD INADEQUATE FOR WORLD'S NEEDS, Ottawa** - There is increasing evidence that the world food shortage will not end with the harvesting of this year's crops, Canada's Bureau of Statistics reported today in its monthly summary of the world wheat situation.

The summary said exportable surpluses of wheat have dwindled steadily during the last month as all major exporting countries continued their efforts to meet the urgent needs of deficit areas.

"While relatively favorable crop reports have been received from many of the famine-stricken countries, it is obvious that production will attain pre-war levels in few, if any, of these areas," it added.

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From the New York Wall Street Journal, May 31 -

FUTURES MARKETS IRREGULAR - Pre-holiday profit-taking and hedge selling turned cotton reactionary Wednesday after gains of as much as 70 cents a bale.

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WESTERN FARMERS RUN RANCHES FROM THE SKY, HOP MILES TO STORES, Wichita, Kan. - Farmers of the Great Plains are flying by the thousands. They would be flying by the tens of thousands if planes were available at the right price and for their special needs.

While they fly for pleasure, the farmer pilots' first need is for service. Take for instance, Alfred Ward, president of the Kansas Flying Farmers Association. When he found himself very short of help early in the war, he learned to fly, at the age of 50, and bought a small plane that would take him from his home farm of 4,500 acres near Johnson, Kan., to his 9,000-acre cattle ranch 60 miles west in Colorado, and to his 16,000-acre ranch near Big Springs, Tex., 440 miles south.

"I never could have managed the production of all the beef and wheat I grew if I hadn't been able to get around with a plane," said Ward.

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COCONUT OIL DROUGHT, San Francisco - There's no relief in sight for this country's coconut oil drought, even though imports of copra, source of the oil, are almost double those of last year.

The chief reason is the worldwide shortage of fats and oils. Europe needs all the vegetable oils it can get, and U.N.R.R.A., to meet this demand is dipping deeply into the U.S. supply of coconut oil. The first consignment of 9,900 tons of oil from San Francisco to Poland left by tanker two weeks ago. Other large shipments are expected to follow.

Meantime, most Philippine crushing mills can't get back into operation. Before the war, the Islands supplied as much processed oil as was milled in the U. S. Up to now, however, only two small Philippine plants have resumed production. Many others may never be rebuilt because of long-term tariff disadvantages in the Islands' Independence Act.

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From The Democrat and Leader, Davenport, Iowa, May 26 -

IOWA LAND PRICES TOO HIGH FOR VETS: LITTLE INTEREST IN TENANT PURCHASE PROGRAM-Des Moines-Because Iowa farm land prices have gone up \$10 an acre in the last three months and now average from \$40 to \$50 an acre "too high" very few World War II veterans are interested in the tenant purchase program of the Farm Security Administration, State Director H. L. Young said Saturday.

Only two Iowa veterans have gone into the purchase plan in this fiscal year, which ends June 30. One bought a Lucas county farm under the Bankhead-Jones act about two months ago, and another is in the process of purchasing a Butler county farm.

"It isn't because we have turned down any veteran purchase proposals", Young explained. "The veterans themselves are wary of the present prices. Because of this there probably will be no more applications in this fiscal year."

"There might be an increase in such applications after July 1, but many of the veterans who are interested in going into farming are not settled on what they want to do. One of the factors is that they can't get possession of a farm now until next March 1."

"The veterans want to know what the price of the land will be when a purchase plan would go thru. They also are interested in knowing what effect the recent 25 cents a bushel increase in the ceiling price for corn will have on land values."

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From The Chicago Daily Tribune, May 28 -

CHICAGO BREAD FAMINE LOOMS, BAKER REPORTS-Chicago housewives, already scrambling for bread as soon as it appears on grocery and bakery shelves, got more bad news yesterday. Curtailed stocks may disappear completely, it was predicted, unless there is some relief within a few weeks.

The bread scarcity, result of the government order slashing flour consumption 25 percent in a move to avert starvation in Europe and Asia, actually has effected up to a 40 percent cut in local supplies--an estimate based on sales thru the last year--a representative of one of Chicago's largest baking companies said:

"Unless Washington does something about it quickly," he said, "all the bakeries will be closed by the middle of July."

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From The Chicago Daily Tribune, May 28 -

SUBSIDY HELD BARRIER TO CUT IN USE OF FOOD-Indirect conflict with its program urging people to eat less, the government actually is encouraging the American family to eat more by subsidizing part of its grocery bill, R. C. Haberkem, vice president of the R. J. Reynolds Tobacco company, charged yesterday. He spoke at the annual convention of the National Association of Purchasing Agent.

"Today the administration is asking us to eat less and at the same time thru food subsidies is helping us to eat more by paying part of our grocery bill" asserted Haberkem. "Why not remove those subsidies now when the national income is at an all time peak, with a minimum disturbance to our economy, rather than involve large price adjustments later that will be extremely upsetting to business."

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From the Texas Farming and Citriculture, May -

THE FARMERS AND INFLATION, Editorial - It is significant that farmers confront a price situation remarkably like the one they faced at the end of the first World War. In the fall of 1918 prices of farm products were notably high, but considerably higher, in proportion, were the prices of the goods the farmers had to buy. They were the losers.

In 1920 the prices of their products began to drop rapidly. The cost of goods they needed also began to drop, but much less rapidly. Again the farmers were the losers.

Now, in 1946, a year after the end of World War II, prices of many farm products are still above normal levels, but even higher, relatively, are the costs of the farmers' requirements, the ratio being almost identical with that in 1918. Once more the small end is becoming the farmers' share in the seeming, not real, prosperity now prevailing.

There is a striking similarity, too, in the situation then and now as to inflation in farm land values. These had soared in 1918 and 1919 but in 1920 began to come down like deflated balloons, gathering in their descent momentum and spread that badly hurt or ruined thousands upon thousands of farmers, to whom the word foreclosure became the center of nightmares.

The inflationary forces are riding winds again.

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From the Memphis Commercial Appeal, May 24 -

RAINS, COLD WEATHER DAMAGE COTTON CROP - The continued rains and the cold weather have reversed the optimistic outlook for the 1946 cotton crop in the Mid-South and have brought conditions in the fields to the point where downright pessimism is at hand.

Two weeks ago the MidSouth fields showed good stands of cotton, with chopping and cultivation under way and the fields exceptionally clean for this time of the year. There were some fields where grass was beginning to show, but no trouble was expected in them as the skies then were clear and the sun was warm and bright.

Cool nights, excessive rains and a general inability to get into the fields have changed that picture in the past few weeks.

There have been reports that some of the most recently planted cotton has failed to germinate because of the wet and the cold; that some of the earlier fine stands have succumbed to stem rot because of the low temperature and the excessive moisture. Grass in some places is dense and rank.

What may be more important, the weather has halted whatever planting that had been planned when it was seen that the first plantings were up to such good stands. Some replanting already is necessary and it is expected that more and more will be required unless the weather changes abruptly.

From the New Orleans Times-Picayune, May 23 -

HORSE SLAUGHTER FOR MEAT SOARS, Chicago - More than 150,000 horses will go on the butcher block for human consumption this year, it was estimated at the stock yards here today. Packers who specialize in horse meat are so enthusiastically tracking down the old farm horse in these days of meat shortage that Dobbin is threatened with extinction. The death rate for exceeds the birth rate in the horse family. In 1940 packers under federal inspection slaughtered only 18,750 horses. The totals rose to 25,874 in 1941, to 28,846 in 1942, and to 56,463 in 1943. In 1944 it dropped to 52,063, but came back to 77,887 last year.